THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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FILE COPY

SERVICE CHARGES IN RELATION TO THE PUBLIC MIND

Canadian Railroads Introduce Reduced Rates for Holiday Travel

SIGNIFICANT MOVE

Inflated Rates or Charges Defeat Own Purposes—Strangle Consumption and Decrease Turnover

Significance of the forces of readjustment now at work as between producers and consumers, service corporations and the public and employers and employed is the announcement of the railways that they will return to the pre-war arrangement of special reduced rates for holiday travel. This is an obvious effort to increase business by inaugurating lower prices because under the ruling of the Railway Commission the higher rates now in force could be maintained.

This question of charges for service in relation to public demand, of prices for goods in relation to buying power and of wages for labor in relation to available employment is the crux of the great problem now being faced to get back to a basis of proper balance between the various factions which make up the whole community. It is useless of course to ignore that self-interest is dominant. It is the rule rather than the exception to endeavor to make the largest possible margin of ultimate profit.

But when the price of an article or a commodity or a service reaches a level where it strangles consumption or demand then the process of raising that price defeats its own purpose. The decision of the railways is a case in point. They realize that they can make larger eventual profits by lowering the margin on each individual ticket and increasing the volume of travel. Recently in New York state a league of farmers decided upon a reduction of one cent a gallon on milk for the purpose of increasing consumption, because the milk-products plants in the district had closed down for the time being. Manufacturers and merchants have the same problem to face. Prices reached a level where demand was exhausted temporarily. It is now a question of creating a price basis where demand can again be stimulated to a state of normal consumption.

The problem faced by labor is fundamentally much the same. In making demands for increased wages the men and their leaders evidently did not consider — and it is to be doubted if conciliation boards did either—the relation of labor cost to the finished product and the market therefor. Consequently the situation which developed in regard to many products was that increasing costs raised prices and reduced consumption and unemployment naturally followed. Labor leaders must consider the problem of the wage factor in relation to producing goods at a cost where consumption will be increased and the unemployment problem solved.

General Conditions

Regarding general business conditions it may be said that there has been little change during the past month. The industrial situation continues unsettled, with little or no indication that operations are on the point of opening up on an extended scale.

Reports to Bradstreets have assumed a more optimistic tone and indicate that in retail trade especially there is evidence of some signs of improvement. Wholesale trade is becoming steadily better while retailers are doing a fair business. It is significant, however, that purchases are still being made on a hand-to-mouth basis, and this restricted plan of trading is necessarily reflected adversely upon industry. Reports respecting collections are conflicting and indicate that while there is some evidence of improvement in the east, although still coming in slowly, the conditions in the majority of western

Continued on page 9.

AND THE WORST OF IT IS MANY BELIEVE IT.

By Resident Representative.

REGINA.—That "big interests" of the Dominion have both hands in the national treasury all the time was the assertion of R. W. E. Burnaby, president of the Canadian Council of Agriculture here last week. "It is time we put aside the old national parties, now forty-two years old, and find a new system which will contain a better business policy than the one now in force in Canada," he declared.

"When you buy things under the protective tariff system," he added, "you pay 30 or 40 per cent. more than they are worth."

ADMIRE F. P. JONES FOR HIS FRANKNESS

General Manager Makes Candid Statement Concerning Business Prospects For Company

By Resident Representative.

MONTREAL.—The Street is evincing a sincere admiration for Frank P. Jones, vice-president and general manager of Canada Cement Company. Mr. Jones occupies an almost unique position these days in the frankness with which he discusses business prospects for his company. Probably it is due a good deal to this very quality that confidence has been strengthened in him and his company in spite of the fact that it earned only about half its common dividend last year. At the annual meeting of the company this week Mr. Jones declared that while there was an impression in some quarters that there would be a marked revival in building activities during the present year, he did not hold out any great hope for an active business in cement in the near future. He added that if the company secured sufficient business to warrant the running of the plants to within 60 per cent. of their capacity, he thought that they would be doing well. He also went on to justify the action of the directors in paying portions of the past two years' dividends out of surplus by declaring that a reserve fund was built up for the very purpose of paying dividends under conditions such as existed at present.

He went on to make a definite statement about the company's intentions to proceed with the erection of the proposed ten-story office building on Phillips Square in the near future. This point, however, is not meeting with universal approval and some doubt is expressed as to the wisdom of using up part of the surplus of a company under present conditions in a costly office building on which returns have not been very substantial for many years past in Montreal.

EXPECT STEEL MERGER THROUGH BY APRIL

All Meetings to Confirm Terms Over This Month—Shipyards at $8,000,000 Capitalization

By Resident Representative.

MONTREAL.—While little has been heard this past week of further steps in connection with the newly organized form of merger that will continue under the name of the British Empire Steel Corporation, it is understood that it is the expectation of those in charge to clean up everything by the end of the present month, including the calling of meetings of shareholders of the Dominion Steel Corporation and Nova Scotia Steel and Iron Co. Indeed, the prospects are now that the Dominion Steel Corporation will be absorbed in the merger long before the time for the annual meeting of the company, and thus no longer exist.

It is understood that the consent of practically all concerned with Halifax Shipyards, Limited, has been secured. Indeed, the number of shareholders is very limited. While no terms have yet been made public for the absorption of this stock it is understood the basis will be much the same as that of the other two companies. The present capitalization is said to be $3,000,000 of preferred and $5,000,000 of common.

Dispatches from Rome and London say Italian Ministry of Industry considering agreement whereby group of American capitalists will advance to Italy $50,000,000 of raw material repayable in five years at 6½%.

ADVISED TO SELL VICTORY BONDS TO BUY BANK STOCK

Great-West Bank Makes a Strong Appeal to Westerners

PLAY ON PREJUDICE

Intimation That if West Does Not Control This New Bank the East Will—Some Points to Consider

An offering of stock in the Great West Bank of Canada is being made to the farmers and business men of the prairie provinces. The selling campaign is obviously an appeal to Western sentiment capitalized upon that prejudice against the existing banking system which has been fostered by certain elements. The investor should not only consider sentiment when buying securities, but whether he is safeguarding his capital and whether he is reasonably assured of a fair profit in dividends.

No one can object to the organization of a bank in the West or any other part of Canada so long as the Bank Act is complied with. Any move to improve the position of Western farmers as regards sound credit will benefit the whole of Canada. But it is up to the investor to consider whether this stock presents an attractive proposition, particularly when the advice is given as in the case of this proposition that "it would be good business to sell Victory bonds or reduce savings bank deposits to invest in shares in the new bank." And this advice follows an attractive summary of the present market quotations of other bank stocks in Canada ranging up to 260. "There is no reason, if the new bank is properly managed (as doubtless it will be) why its shares should not advance rapidly in value" says the advertisement, but further than this the very important matter of management is not enlarged upon. Management is one of the first points of consideration from the standpoint of the investor.

As to Double Liability

The stock is being offered at $125 for shares of par value of $100. And when the attractive figures of present market values of the stocks are being held out, it is, of course, not mentioned that bank stocks entail double liability on the part of those who hold them. Thus the investor who pays above $100 for the stock is paying a premium and is assuming the liability of an additional $100 in the event of the bank failing.

The old prejudice that the banks of Canada do nothing to help Western Canada is raked over continually in the course of the announcement. "Ample capital is assured," they are informed but the promoters are anxious that it (the bank) should be controlled in the West" and this is the "reason for the exceptional offer which is being made to initial subscribers." The inference is that Easterners will control the bank if Westerners do not take up the stock. Further it is set forth that if "every farmer and business man in the West subscribed to one share the bank would be one of the strongest in Canada and would keep Western money at home to meet Western needs." And it is inferred also that the bank can be made a factor in securing more favorable treatment from the existing institutions.

As a Business Proposition

There is no reason why a Western bank should not have a fair chance of success if conducted along sound business lines. The Weyburn Security Bank is an indication of this. But to give the public the impression that a new bank is at once going to become a big institution, high-earning, is another matter. There will be many in the West who have not forgotten the Bank of Vancouver.

The success of the Canadian banks is in their wide organization and facilities for securing deposits and shifting funds to all parts of the country as required. The difficulty with a purely Western bank is in securing necessary funds at rates to insure profitable business. In a country devoted so largely to agri-

Continued on page 9.

The Sales Tax and The Budget

THE wide divergence of opinion, even among experts, concerning the amount of revenue that might be expected from the enactment of a Turnover Tax in Canada, is perhaps, the most uncertain feature of their much discussed proposal. One satisfactory point, however, seems clear alike in the minds of advocates and opposers, viz:—A Turnover Tax can be made to raise the necessary revenue.

Lacking definite data on the "buying power" or total annual sales turnover of the country, and recognizing the difficulty involved in determining who is an "ultimate consumer," it is obviously difficult to make a definite estimate of revenue from this source.

A member of the Senate Finance Committee is, however, on record as stating that a 1 per cent. Turnover Tax would yield a total of $4,500,000,000—more than double the present net debt of the Dominion. While this estimate is doubtless excessive—being in fact as large as some estimates arrived at for the United States—and while it would constitute a needless burden, it does not indicate the possibilities of an equally distributed, indirect tax. It also suggests, as Otto Kahn points out, that flat percentage rate of 1-2 of 1 per cent. or lower, might be sufficient.

Sales Tax Justifies Itself

Other objections raised are, that this form of tax is new and has not received the sanction of successful application in any important country, also that it would cause a general increase in the prices of commodities due to the pyramiding of tax payments on the many processes of manufacture. These arguments cannot be maintained in face of actual experience. Since July, 1920, Canada has had a 1 per cent. Sales Tax in operation—and the prices of commodities have declined during that period.

In the returns of the "Inland Revenue" department a total of $65,000,000 is recorded for the past seven months, the greater porton of which, according to the officials, is derived from Sales Tax. This amounts to approximately $9,000,000 per month or $108,000,000 per year. While this is decidedly satisfactory, a comparison of the returns for the various systems of direct taxation at present in use indicate that the total revenue for the year would have fallen several millions under the estimate as submitted by Sir Henry Drayton in his budget speech of May, 1920, had it not been for the introduction of the Luxury and Sales Taxes.

A Basis For 1921

Recognizing the difficulty of calculating the probable yield of a Turnover Tax, many advocates of this system have turned to a consideration of the required revenue from such a tax if applied in 1921. These calculations presuppose the rescinding of the Business Profits Tax and are based on an analysis of the returns for the ten months ending 31st January, 1921, as shown by the Finance Department.

From the results of the Consolidated Fund Account to date an estimate is made indicating a probable revenue of $460,000,000 for the year. For the purpose of calculating a Turnover Tax in 1921 the estimated Business Profits Tax—$35,000,000 and the estimated $65,000,000 as stated above from Sales Tax, are deducted, leaving a net of $360,000,000 as the amount of revenue that would have been received in 1920 had these two taxes not been in operation.

Similarly, the expenditure under Consolidated Fund in 1920 may reach $375,000,000, or, including the outlay, say, of $45,000,000 capital account, a total of $420,000,000. These two amounts are used as a basis for estimating a budget for 1921, and though the signs of business revival are encouraging, it is felt that 1921 will not exceed the past year in revenue and that the reported deficit in the Canadian National Railway may add another $50,000,000 to the year's expenditure. On these conditions, therefore, an estimated deficit for 1921 is calculated, which, it is claimed by supporters of the Turnover Tax, could be more than supplied by the operation of the system.

1921 Expenditure on account of Consolidated Fund	$375,000,000
" Expenditure on account of Capital Account	45,000,000
" Taxes on operation of Canadian National Ry.	50,000,000
" Sinking Fund for National Debt	40,000,000
	$510,000,000
1921 Revenue, including Business Profits and Sales Tax	$360,000,000
Total deficit to be supplied by Turnover Tax	$150,000,000

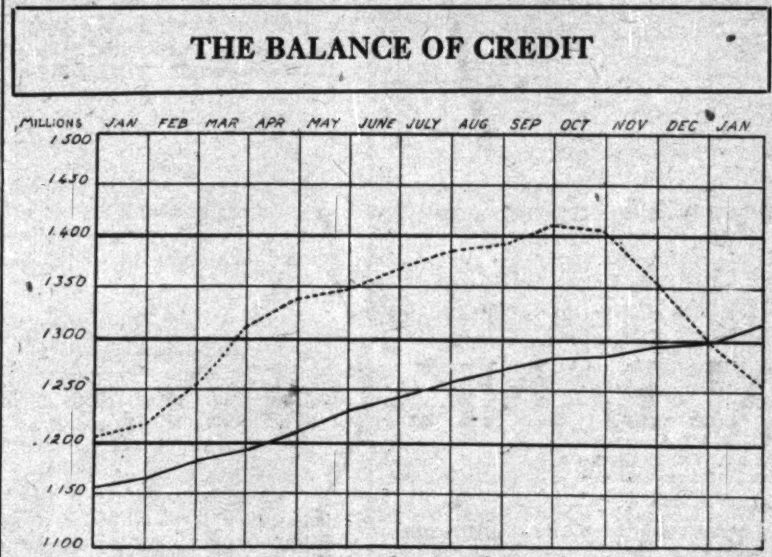
As a result, therefore, of the above system of estimate, a total of $150,000,000 appears to be the probable amount that will have to be realized in 1921 out of a Turnover Tax. That this is readily possible appears evident merely by a small extension of the present Sales Tax, which, as above shown, has been producing revenue at the rate of approximately $108,000,000 per year.

The total of interest and principal payments on National Debt falling due in 1921 will exceed the $40,000,000 allowance as shown, but it has been urged that the above sum should be set aside annually and that the difference be paid out of cash in hand and active investments maturing.

All Must Share Equally

Concrete examples of the method of applying a general Turnover Tax have been prepared by competent students who maintain that the tax must operate as its name implies, that is, a charge upon each and every turnover or sale of goods. It is argued that political reasons urge the exemption of the numerous small retail stores and that the labouring and the farming classes will not submit. These latter, according to Lewis L. Clarke, President of American Exchange National Bank, have a strong feeling that "A heavy income and excess profits tax are a proper leveling force involving advantages to the many, while placing a tax imposition on the few."

Out of the widespread controversy which the proposal to apply a Turnover Tax has occasioned, the opinion of Jules S. Bache has a decidedly refreshing sound, when he postulates: "I would make it a basic principle of the tax that it must be capable of being passed on."



THE BALANCE OF CREDIT

This chart illustrates how during January the continued curtailment of current loans by the Canadian banks brought commercial credits to a lower level than the healthily expanding savings deposits. The figures of the January statement were: Current loans, $1,264,490,463 and savings deposits, $1,313,093,870.

PRICES CONTINUE TO SAG IN DULL MARKET SESSION

Activity This Week Mainly Arose Through Selling Pressure

REACTIONARY IN TONE

Papers Lead in Downward Movement—No Variation in General Influences at Work

Such activity as developed upon the stock markets this week mainly arose through selling pressure, and this force is of necessity not of a constructive nature. Stock movements were in consequence largely of a negative nature, with the papers continuing to lead the downward movement. Two of the paper securities have declined drastically within the past week or so and are now hovering at levels which constitute the low water mark in their history. The depression in these securities arises largely through the altered tone of public sentiment within the past few weeks, and to the fact that several of these companies are arranging public financing on a large scale.

The balance of the market list continues to drag along, with the price movements of a settling nature. There has been little variation to the influences at work throughout the week. The New York market continues in a state of uncertainty. The industrial field is still depressed with no prospect of an immediate improvement in sight. Just when the markets will be shaken out of their present lethargy and embark upon a prolonged constructive development it is impossible to say, but it is evident that the depression is growing deeper daily, and the return to normal therefore becoming increasingly difficult. The near approach to a crisis in European affairs this week did not appear to have any effect on movements upon either Wall Street or the Canadian exchanges.

Under prevailing conditions it does not appear that there is any likelihood of a return to the bullish activity that developed upon the stock exchanges in the early months of the past year. Dealers, however, look for a development upon a moderate scale, in which movements will be relatively of a conservative nature. The investment features of merit continue to bear up well in the face of depressing conditions, and in several instances a short-lived rally served to brighten up the market list.

THE POST
THIS WEEK CONTAINS

Unemployment and the Old Law of Equilibrium 2
How International Concern Has Won Good Will of Town 2
North Dakota an Object Lesson in Socialism 3
To Improve Our Markets in the United States 3
Government Obtains Advice on Rural Credits 4
Jacobs' Interests Secure Control of Black Lake Asbestos 5
Bell Telephone Showed Deficit of Over $1,800,000 6
Nickel Industry Would Be Hard Hit by New Tax 7
New York to Continue Domination of Canada's Dollar 8
Insurance Against Check Forging or Any Alteration 9
The Business of Making Colonists of Immigrants 10
Select Preferred Offerings From Market List 11
B.C. Will Borrow $4,000,000 for P.G.E. Railway 12
Winning the Interest of Business Men in Civic Politics 13
Marine Insurance Companies Suffer From Pilferage 14
Housing Schemes Are to Disadvantage of Private Builder 15
Dr. Herdt Would Electrify Steam Lines 16
Buying in the United States is Now Curtailed 17
Canadian Stock Movements for the Week 18
Assets of Sterling Trusts Have Been Again Adjusted 19
Asbestos Corporation Makes New Record of Earnings 20

EDITORIAL

Canada's Meat and Cattle Markets—Public Attitude East and West—Does Grain Exchange "Rob" the Farmer?—Let the Shareholder Know—They Dare to Criticize.... 10

BANK OF MONTREAL

Established over 100 Years.

Capital Paid up - - - - - - $22,000,000
Rest - - - - - - $22,000,000
Undivided Profits, $1,251,850
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Head Office: Montreal Established 1864

Paid-up Capital..$10,029,622
Reserve Fund ...$ 9,475,585
Total Deposits (Oct. 30, 1920), over $170,000,000
Total Assets (Oct. 30, 1920), over $209,000,000

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399 Branches in Canada extending from the Atlantic to the Pacific

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STIMULATION of agricultural pursuits is essential to the welfare of the Dominion. This Bank plays its part as a national institution by lending every effort and its vast resources to support agricultural activity to the utmost.

Those interested in any enterprise of the soil are invited to confer with our branch managers.

046

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UNEMPLOYMENT AND THE OLD LAW OF EQUILIBRIUM

A National Balance Between Occupations Must Be Maintained

FINDING A LEVEL

Concessions Must Be Made by Capital and Labor, Employer and Employed, to Reach Healthy State

No comprehensive view of the present industrial situation and of contending interests can be had without referring constantly to the fundamental principles according to which men distribute themselves in the various occupations and exchange products and services with each other, says the National City Bank, of New York. There is a law of equilibrium which works out a natural balance between the occupations. That balance must be sustained in order that the products or services of each group may be absorbed by all the other groups. When the balance is lost, unemployment results and continues until a redistribution is worked out, so that again everybody is at work and all the products are absorbed, a state which we call prosperity.

It is rather a blind process—this finding the equilibrium, because there is no supreme authority to tell each person where he shall go, and what he shall do, and how much he shall receive. It is up to each person to find the place where he can be useful and at the same time best satisfy his own choice of work. They are trying to do it the other way in Russia, by having the government say where each person shall go, and what he shall do, what he shall receive. Those who think they would like this way will do well to watch for the reports from Russia, or better still go there and get the information at first hand.

It is clear, though, that the secret of prosperity is in balanced industry, so that the production of every branch of industry is in proportion to the wants and buying power of the people in all the other occupations.

The number of people that can be employed in any industry depends upon the amount of the products that can be sold, and that depends upon the price which the consumers have to pay for them. If the price of a given commodity is increased the consumers will have to curtail their purchases of it or of something else; perhaps they will distribute the curtailment, but curtailment there will be, whenever by either a rise or fall of important classes of commodities the parity of values throughout industry is seriously disturbed.

For any commodity there is at any given time a certain price which will secure a larger net result to the producers than any other price. That is to say, if the price be lowered the additional distribution will not compensate for the sacrifice, and on the other hand, if it be raised the loss of distribution will exceed the gain in price. Everything that is offered for sale, whether it be an article of goods or the services of an individual is in competition, not only with like goods or services, but with all the multitude of attractions that are appealing to every consumer. Under these conditions it is folly on the part of an individual or group of individuals to think that he or they have it in their power to arbitrarily fix wages and prices for themselves. They may have the power to fix, and even maintain, wages, rates and prices, but they cannot escape the effect it will have upon employment or upon sales.

This is where occurs the great miscalculation which is tying up trade and industry at this time. Something has happened that has affected the buying power of millions of people, and other millions are trying to ignore it and think they can go on selling their own goods or services at the same rates as before. Trade is dull and millions of people are out of work because the adjustments that are necessary to restore the equilibrium are not made.

Merchants refuse to reduce the prices of goods they have in stock, and perhaps argue plausibly in justification of their policy, but trade languishes and quicker-witted competitors replace their high-cost goods with low-cost ones and take the lead in the trade.

Wage-earners stand for the maintenance of wage-scales, and as the public is unable to buy goods made upon that level of costs, mills close down or run on half time, with a great loss of wages without corresponding reductions in the price of the product to consumers, most of whom are wage-earners.

The printers of New York City wanted more wages last fall, and a committee of well-intentioned gentlemen selected to arbitrate the case awarded it to them by some process of reasoning which left the state of the printing business and the equilibrium between the printing business and the general business situation entirely out of the account. The result was that the wage increase, by increasing the cost of printing at a time when the public had less money to spend for printing, aggravated the situation, and resulted in a reduction of the actual wage payments.

That illustrates the whole situation. It is short-sighted to be always thinking that wages are fixed by simply an agreement between employer and employe, and that the employer either can pay it out of his own pocket or pass it on to the consumer. There is a relationship between each industry and all the other industries which must be taken into the account.

EXCESS PROFITS TAX HEAVY BURDEN NOW

Several Firms on Verge of Liquidation, in Debt to Government

The importance of providing a reserve for excess profits taxes taken out of current revenue is illustrated in the case of a number of Canadian firms which are now feeling the pinch of adversity. A peculiar situation has arisen by which several industrial enterprises, fortunately few in number, now on the verge of bankruptcy, are heavy debtors to the Federal Government on behalf of excess profits taxes owing for one, two or three years back. The adverse situation in the affairs of these companies has been brought about by the depression in business that has continued with unwavering intensity for the past few months. Notwithstanding the success attending the operations during the past few years, profits and reserves for these companies have during the past few months dwindled and vanished.

In each of these cases the government holds the position of preferred creditor, and would in consequence have first claim upon the assets of the company, in case of liquidation. It is reported of one company that in the past few years it has paid the government approximately $400,000 in excess profits taxes, and has now arrived at the point where it is practically impossible to proceed further without financial assistance and it is still a heavy debtor to the government. Just what course the government will pursue, when the emergency arises, if it does, is not clear, but it is probable that it would exercise its claim along with the balance of the creditors.

LARGE INVESTMENT IN LUMBERING INDUSTRY

Output of Some 3,410 Plants for 1919 Valued at $222,648,790

The capital invested in the lumber industry of Canada at the close of 1919 amounted to $231,203,247, according to the preliminary report of the Dominion Bureau of Statistics. The report which deals with the operation of 3,410 plants, reveals in some measure the importance of the lumbering industry to this country. The plants are located by provinces as follows: Alberta, 34; New Brunswick, 249; Prince Edward Island, 63; British Columbia, 258; Nova Scotia, 486; Quebec, 1,419; Manitoba, 38; Ontario, 852; Saskatchewan, 10; and Yukon, 1.

During the year 73,480 persons were employed in this industry, and a total of $60,999,020 was distributed as wages. The value of the fuel consumed during the year was $844,960. For the year the total value of the product reached $222,648,790. The production of sawn lumber, shingles and lath was valued at $129,041,688; shingles, $13,534,345; and lath, $2,157,758. Logs, timber, pulpwood, etc., reached a total value of $77,924,999.

BRITISH RAILROADS

Owners Faced Big Problems When They Took Them Back

Railroads in England are in a poor financial condition, said Sir William Guy Granet, director of railroads for the government during the war, on his arrival at New York aboard the White Star liner Adriatic. He said:

"It was expected that the increase in passenger and freight rates granted after the railroads were turned back to their former owners would put them on a good financial basis. Unfortunately the general depression was such that the increase in rates on freight did not help. There was far too little freight. Most of the railroads might be said not to be solvent now. In fact, I know of only one road that I would call solvent.

"The government is going to be very much surprised when the rail companies demand the guarantee which was promised when the roads were returned to their owners, and a considerable sum will have to be raised somehow to pay the roads."

HOW INDUSTRIAL CONCERN HAS WON TOWN'S GOOD WILL

Truro Honors Stanfields, Limited, With a Banquet

HAS A GOOD RECORD

In Twenty-five Years' History There Has Never Been a General Strike—Honor for President

By Resident Representative.

HALIFAX.—The giving of a banquet to an industrial company by the town where the industry is located is an honor almost unique. The corporation of the town of Truro, a few days ago, thus honored Stanfields Limited on the twenty-fifth anniversary of the establishment of that prosperous concern. The company was formed a quarter of a century ago by John and Frank Stanfield. Fifteen years ago it was reorganized into a company with a new capitalization and instead of the two men owning it all there came into existence a body of some hundreds of shareholders.

At the dinner given by the town to the Stanfield company, Governor M. C. Grant was one of the guests, and that democratic representative of the King was taken to the plant and measured for a suit of the company's "unshrinkable underwear." The chief speech at the banquet was by Frank Stanfield, who outlined the growth of the company. One thing he said that is specially worth noting is that the company in all its history had never had a general strike, never had had a fire, nor a serious accident, and never had a year in which there was not growth and a profit. The profit had not increased every year, Mr. Stanfield was careful to say, but there had always been something to the good.

The Mayor of the town took occasion in his speech to congratulate the people and the town on the advantages it possessed as a manufacturing and residential centre, and, of course, he dilated on the importance to the community of its premier industry which they were honoring. It is a happy augury for the future when a town and its leading industry thus get along so well together, and when the company's managing director is able to make the statements regarding it that he did.

The same day as the banquet came the news of the appointment of Mr. John Stanfield to the Senate, and it gave a good opportunity for wholesale and hearty congratulations to the president of the company, the position occupied by Senator John Stanfield. It is Frank, however, who is the chief man behind the gun.

PAPER PRODUCTION OF U.S.

Gain of 10 Per Cent. in Newsprint Over 1919—Interesting Comparison

According to statistics supplied by the Federal Trade Commission at Washington the production of newsprint in the United States is still considerably in excess of the output of the Canadian mills, notwithstanding the enormous increase in Canadian production during the past few years. A review of Canadian output for the year 1920 appeared in these columns some weeks ago, and it was shown that the production of sixteen mills in Canada amounted to 883,000 tons, an increase of 113,198 tons over the production of 1919, or almost 15 per cent. For the same period production of newsprint by American mills amounted to 1,511,968 tons, an increase of 10 per cent. over 1919. The year ended with 24,763 tons of newsprint on hand as compared with 15,369 tons carried over from 1919.

The production of standard news, the grade used by newspapers, totalled 1,380,239 tons in the United States, a gain of 12 per cent. The production of book paper, paperboard, fine paper and other varieties all exceeded, according to the report, the amounts made in any of the years beginning with 1917.

GERMAN SUGAR SUPPLY

Greater production Needed to Meet Domestic Requirements

Germany needs to increase sugar production to meet domestic requirements, according to Howard W. Adams, representative of the Department of Commerce at Berlin. In 1920 Germany imported 57,000 tons of sugar, against 29,000 tons the previous year. The new sugar year found the the country with no available stocks on hand.

Winslow & Co., Nanton Building, Winnipeg, have inaugurated a direct private wire service, between their Winnipeg office and Montreal and New York.

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NORTH DAKOTA OBJECT LESSON IN SOCIALISM

Townley's Bubble Burst When He Failed to Provide Cash

BANKING EXPERIMENT

The Bank of North Dakota Is Now Virtually Insolvent—It Was Operated Under Political Control

"Boston Commercial."

The North Dakota experiment is entering upon its final chapter. The Moses who was to lead the farmers of the middle west out of bondage into the promised land of bountiful return for their products confesses failure and is willing to make any sacrifice in order to hold his dwindling following together.

The ending is no surprise to anyone except possibly the misguided dupes, and we doubt if they really believed that Townley would succeed. At all odds they did not believe to the extent of parting with their real cash in any material amount to further his scheme.

For it was in his failure to provide the real sinews of war, cold hard cash, that Townley came to his finish. The farmers would join his league and pay their membership fees, but this was only pin money compared with the amounts required to carry out his socialistic program. When it came to selling state bonds, Townley was up against a stone wall.

Investors and Socialism

With an issue of doubtful legality, the proceeds to be expended upon a socialistic industrial movement which never had succeeded anywhere else and would not succeed in North Dakota, investors outside the state would not look at the bonds at any price. Then he tried to sell them to the people of the state, holding forth in glowing terms the wealth of the security behind them and the great economic advantage which was to be derived from the full operation of state-owned industries, but the people of the state themselves either could not or would not bite.

Then followed a humiliating trip to the Twin Cities to offer inducements to bankers to take over the issue. He even went so far as to agree to give up the whole plan except for a rural credits bank and the state-owned elevator and mill which are already under construction.

But the bankers would have none of it and the whole country read a lesson in the fact that bonds of the state of South Dakota were selling at a premium, while those of North Dakota could not be sold at any price. The only way to run such a scheme as Townley devised is to do the way Lenin and Trotzky did in Russia, seize the money in the banks and wherever they could find it, but Townley could not do it in North Dakota.

Banking Experiment

The keystone of Townley's arch was the Bank of North Dakota, which began business in a manner which has no parallel outside of the pages of fiction. The bank now has no money to pay the state bills and is virtually insolvent. Banks throughout the state with money on deposit with the state bank are closing their doors because their drafts are no longer honored by the state bank and they cannot liquidate their agricultural loans as farmers refuse to liquidate their crops at present prices.

Farmers will soon be needing money to finance their new crops and mercantile houses whose prosperity is allied with that of the farmer are in need of money to tide them over until crops are sold, but there is no money for them. The whole state is in a position where similar situations have called for a moratorium.

Politics and Business

The whole affair is only another evidence of the injection of politics into business. As long as Townley had the offices, both branches of the legislature and the supreme court, he could bend them all to his will and keep up an appearance of success.

With the beginning of a revolt, his power weakened. Some of his trusted lieutenants found they had been fooled and openly denounced him for the scheming politician that he was. Here and there his pawns were retired to private life until at the last election a majority of the lower house was actually anti-league.

Without complete control of the legislature, Townley was shorn of his power. The banking situation in the state caused alarm. The industrial situation was working toward worse rather than better conditions. The clouds gathered thick and fast. His one hope was to float his bond issue and bring into the state the millions which would restore the credit of the banks and finance industrial and agricultural operations.

With this hope crushed, Townley has come to the end of his rope. He and his following must retire from the field, either voluntarily or be compelled to. If his industrial commission, which was all-powerful under his plan, will resign, there may be some way to straighten out the tangled mess without resorting to the recall which is a part of the law of the state.

Back to Sound Basis

If the commission will not abdicate, sentiment is strong for a recall election which will probably wipe out the last vestige of Townley control. Then the legislature can take a knife and operate. It will cut out all the politics in business and banking and get the state back on the sound business basis where it was before Townley chose it as a fertile field for his operations, capitalizing the dissatisfaction of the farmer as many another has attempted to do on a less ambitious scale.

After the experience they have had, the people of North Dakota ought to be a wise lot, and it is a safe wager that it will be at least a generation before they listen to the glib tongue of a carpet-bagging uplifter.

ALBERTA COW BILL LOANS ARE STOPPED

Scheme Assuming Larger Proportions Than Government Had Counted on

By Resident Representative.

EDMONTON.—A halt has been called in the loaning of money under the Alberta Livestock Encouragement Act, popularly known as the Cow Bill. Loans totalling $1,723,916 have been made since the scheme was first introduced in 1917, and the Government has decided that it will now be advisable to suspend the operation of the act for a time, though it will be resumed later.

The purpose of the loans is to aid farmers in the purchase of cattle, the livestock industry being recognized as one of the province's main resources. Groups of farmers are formed, their notes taken for the full amount of the loans, the money advanced by one of the chartered banks and the loans guaranteed by the government. In the four years 772 loans have been granted out of 1,287 applied for, and there are now about 30,000 head of cattle in Alberta that were bought in this way.

None of the notes taken from farmers under the scheme will mature until 1922, but advance payments of $318,730 have already been made on them. The beneficiaries of the scheme, which has assumed even larger proportions than the Government anticipated when it adopted it, now number 4,124, and the combined loans average $418 for each farmer. The cattle are held as security for the loans until fully paid up.

CANADA PRODUCED 2 P.C. OF OIL SUPPLY

World's Production for 1919 Increased by 5 Per Cent. Over 1918

During 1919 Canada supplied 2 per cent. of the oil production of the world with 241,000 barrels. This figure shows considerable decreases over the output for the previous year amounting to 305,000 barrels. Oil production of the world for 1919 amounted in all to 544,885,000 barrels, and compared with 514,729,000 for 1918, or an increase of 5 per cent. The United States contributed by far the larger part of the world's supply with 377,719,000 barrels compared with 355,928,000 for the previous year, or an increase of 21,791,000 barrels. Mexico, as well as the United States, showed a large gain for 1919, of 23,245,000 barrels. Russian production registered a further decline, being 25,498,000 barrels, compared with 40,456,000 barrels in 1918, and 69,000,000 in 1917.

The following table shows the production in a number of the more important producing countries, and the change for that year:

	1919.	1920.
United States	$377,719,000	$355,928,000
Mexico	87,073,000	63,828,000
Russia	25,198,000	40,456,000
Dutch, E. I.	15,428,000	13,285,000
India	8,735,000	8,000,000
Rumania	6,614,000	8,730,000
Persia	6,412,000	7,200,000
Poland (Galicia)	6,054,000	5,592,000
Peru	2,616,000	2,536,000
Japan	2,175,000	2,449,000
Trinidad	1,841,000	2,082,000
Egypt	1,501,000	2,080,000
Argentina	1,183,000	1,321,000
Venezuela	425,000	190,000
Alsace	344,000	....
Canada	241,000	305,000
Germany	234,000	711,000
Italy	35,000	36,000

TO IMPROVE OUR MARKETS IN THE UNITED STATES

Plan for Appointment of Commissioners of Trade

BUSINESS AND CREDITS

Figures Show That Advances to European Countries Have Been Big Factor in Regard to Exports

By Resident Representative.

OTTAWA.—Whatever can be said against the scheme of advancing Government credits for the extension of foreign trade—and there has been a good deal said against it in parliament and elsewhere; in fact its critics are still hot on the trail, judging from questions now on the order paper—trade returns show very plainly that it has been with those countries to which credits were granted that the bulk of our trade, outside the United States, has been done since the war ended.

It is very unlikely that anything further will be undertaken in that line by the Government alone; but in both the United States and Great Britain projects are in force or under way for the promotion of export trade. In the United States, acting on the report that the buying power of Europe can only be restored if long time credits can be supplied, two great trade financing corporations have been formed. In Great Britain the belief of some of the leading financial authorities is that the stabilizing of the currency would facilitate the granting of credits without the necessity for any Government guarantees; but bankers and other financial experts believe that the Government would be prepared to support a satisfactory scheme of credit insurance in co-operation with banks and insurance companies.

Trade in United States

In the meantime there is being urged upon the Government the development of trade extension in a quarter where no credits are required, and which lies right at our doors. During the week Colonel Cooper, who is in charge of the Canadian Bureau of Information, has been in Ottawa endeavoring to further the idea of appointing trade commissioners to the United States, and it is believed the idea is looked on with favor by the Government.

During the year ending January our exports to the United States amounted to $551,522,444, or considerably over one-third of our total export trade. Nearly 40 per cent. of this was for manufactured articles. At a time like this, when exchange rates make it easier to sell in the United States and harder to sell in Europe, the advisability of the extension of our trade there would seem to require no argument.

The extent to which the United States consular service, wherever it is established, is responsible for the extension of American trade is well known. It is so in Canada. It keeps American manufacturers and selling agencies constantly informed with the most up-to-date commercial information. It is so close to its home producers that the latter are able to avail themselves almost immediately of the information furnished. In the case of our trade representatives abroad, such a long time must necessarily elapse before the information they furnish is received and disseminated that it is liable to be too late to be of much benefit. The case for the establishing of trade agents across the line is a strong one.—T.M.F.

COAL IMPORTATIONS

Large Increase for 1920 Compared with Previous Year

Notwithstanding the fact that during the past year a great deal was heard about the coal shortage in Central Canada, the statistics showing the volume and value of coal exports from the United States would indicate that Canada had received a liberal allowance in comparison with the previous year. These figures, which are supplied by the National City Bank, deal with both bituminous and anthracite coal. The quantity exported to Canada during the year amounted to 14,483,000 tons, valued at $86,904,000, against 10,670,000 tons, valued at $40,004,000 in 1919. It will be noticed here that the value of the shipments to this country has more than doubled, while the volume is less than 50 per cent. greater. This increase in value is due to the unprecedented charges for coal that prevailed throughout the year.

Manufacturers
IF your home demand is slackening, are you investigating markets abroad?
Our Foreign Department has detailed information on export trade possibilities which we shall be glad to place at your disposal. 394
THE CANADIAN BANK OF COMMERCE
Capital Paid up $15,000,000
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GOVERNMENT GETS ADVICE ON RURAL CREDITS

Loaning Organizations Give Benefit of Long Expreience

CHANGES ARE MADE

Weak Points in Proposed Legislation are Revealed by Experts Who State Independent Opinions

When before the special committee of the Ontario legislature, to which was remitted the bills dealing with rural credits, representatives of existing lending institutions did not manifest hostility to the measures in question. Their attitude indicated appreciation of the fact that one of the requisites to progress along agricultural lines was well-organized credit. The spokesmen for the existing lending interests were W. E. Long, president of the Dominion Mortgage and Investments Association; E. M. Saunders, of the Canada Life, and John Appleton. They represented to the committee that any plan adopted by the Government should primarily be self-supporting—that is, the business should not be bonused or the expense of carrying it on shouldered upon the general taxpayer.

On this point there was some difference of opinion in the committee. Sam Clark held that the plans in mind were of a "charitable" character and only intended to help those who were unable to help themselves. For that reason the beneficent arm of the Government might with advantage be extended to agricultural inefficients with a view to bringing them into the self-supporting class.

Long Loans Not Wanted

Mr. Long was an interesting witness inasmuch as the company, the Credit-Foncier Franco-Canadien, with which he is associated, has been, for a very long period, in the market for long-term loans. He had to state, however, that they were not in great request by the Ontario farmers, who generally called for loans running approximately around five years and, in some cases, ten years. His evidence was contrary to the finding of the committee of inquiry whose report was under consideration by the special committee of the legislature, which represented that there was a demand for long-term loans. The Credit-Foncier Franco-Canadien, Mr. Long stated, was an advocate of the long-term loan on the sinking-fund plan and it stood ready to make them.

Mr. Saunders frankly intimated to the committee that it would be good policy on the part of the Government to keep out of the mortgage lending business. He was able to speak from experience, acquired in superintending a very large volume of mortgage lending, of the difficulties and risks that had to be encountered. He further instanced the difficulties and the loss governments met with in their various experiments in handling rural credits. While not offering opposition to the measures being considered, he urged that in administration of the acts when passed, precautions similar to those evolved by present lenders be taken to make the loans carry themselves.

Committee Appreciative

The committee freely availed itself of the knowledge of mortgage lending business which Mr. Long and Mr. Saunders placed at its disposal, and it was due to suggestions made by them that several important changes in the draft act were recommended by the committee. One of these arose out of Section 35 of the Short-term Loan Act, which section provides that the association "shall have a lien or charge on all the personal property of the borrower for securing repayments of any such loan."

It had not occurred, apparently, to the framers of the bill that when a borrower's entire personal property was made subject to such a lien, he would have a very poor chance of dealing with any other lender or even in getting credit from the local storekeeper or other tradesmen with whom he was in the habit of dealing. It was also pointed out that in case a mortgage became due during the currency of such a lien, difficulty might be experienced in obtaining a renewal. Mortgage lenders do not look with favor upon borrowers whose entire personal property is subject to liens.

King Edward Hotel of Toronto Reports Best Year in History

Net Earnings Amounted to $138,897, Equivalent to 14 Per Cent. on Common Stock. New Building Will be in Operation This Year.

The fourth Annual Meeting of the Shareholders of the King Edward Hotel Company, Limited, was held at Toronto on Tuesday, March 1st. The chair was occupied by the President, Mr. Frank A. Dudley, and the report submitted by him to the Shareholders was eminently satisfactory.

Some of the outstanding features of the report submitted by President F. A. Dudley are:—

1. Gross earnings equivalent to 28% on the outstanding common stock.
2. Net earnings equivalent to 14% on the common stock after payment of all operating expenses, salaries, taxes, interest, maintenance and depreciation.

After paying for all repairs and maintenance the Company set aside as additional reserve for depreciation no less a sum than $56,892.75. The Depreciation Reserve now stands at $152,007.90. After payment of dividends at the rate of 10% the Company increased its surplus by $38,897.85. It now amounts to over $100,000.00.

During the year all outstanding bills payable have been retired. During the year the fixed Inventory on hand increased from $288,200.88 to $334,733.01, and after providing for all liabilities the surplus carried forward has reached the sum of over $100,000.00.

The new building, which will contain five hundred guest rooms, as well as stores, offices and public space, is rapidly nearing completion, and is estimated by the management that when the new building is in full operation the net profits to the King Edward Hotel Company will be over $400,000 per annum. On the completion of the building Toronto will have one of the finest hotels on the American continent, the largest hotel in Canada and the highest hotel in the British Empire. Retail business in Toronto will receive considerable impetus from the completion of the new building, as the city will then be able to accommodate large conventions and large numbers of tourists, who invariably are good contributors to the general prosperity of the city.

The following Board of Directors were elected:—F. A. Dudley, President; F. W. Rockwell, Vice-President; W. J. Cluff, W. A. Mackenzie, Geo. H. O'Neil, J. H. Spence, D. M. Johnson.

The Profit and Loss Account, submitted by President Dudley, was as follows:

Profit and Loss Account for Year Ending December 31, 1920

Balance brought forward from December 31st, 1919			$ 61,595.68
Operating Profit for year ending December 31st, 1920, after payment of Taxes, Salaries, etc.		$284,790.60	
Less			
Interest on 1st and 2nd Mortgages	$89,000.00		
Carried to Depreciation Reserve after payment of Maintenance Charges	56,892.75		
		145,892.75	
Amount applicable to Dividends		138,897.85	
Dividends paid during year		100,000.00	
Carried forward to Surplus Account			38,897.85
Net Surplus December 31st, 1920			$100,493.53

At the meeting of the Board of Directors held subsequent to the Annual Meeting, Mr. F. A. Dudley was re-elected President, and Mr. Frederick W. Rockwell, Vice-President. At this meeting also the regular half-yearly Dividend on the Common Stock of 5% was declared, payable April 15th next.

WILL CORPORATION MEET INDEPENDENTS

A Question as to Prices Which is Puzzling the Steel Trade.

By A. R. KENNEDY,
Editor "Canadian Machinery."

When is the United States Steel Corporation going to come down from its stand-pat attitude and meet the prices being quoted by the independent steel companies? That is the one question that the steel market is asking more than any other, or for that matter more than all others combined.

For some weeks now the independents have been pruning away at corporation figures. For instance, plate is quoted down as low as 2.10 against the corporation's 2.65, bars at 2.00 against 2.35, blue annealed sheets at 3.20 against 3.55, black sheets at 4.10 against 4.35. Nor is there anything to show that this is as far as the independents will go. Very reliable information from Pittsburgh to THE FINANCIAL POST would lead to the belief that were a good sized tonnage brought into the market, a new low price could be secured.

The attitude of the corporation has its effect in Canada. Firms selling for the United States Steel Corporation, or the United States Steel Products itself, have to quote within five per cent. of the market price of the company in the United States, or else come under the provisions of the anti-dumping law.

Reasons Suggested

There are many reasons advanced for the attitude of the United States Steel Corporation. One of them appears fairly reasonable, viz., some of the largest interests in the United States have made a strong appeal to officials of the corporation to refrain from price cutting. These firms have bought largely of iron, steel, etc., for their season's manufacturing programme, and were the prices cut now it would mean a serious financial position for some of these, as it would throw out their entire working schedule for the year. Of course, this same business of liquidation has been the large problem of every concern this year, and is not common to big United States firms alone. It is understood that the agricultural implement makers have been especially persistent in urging the Steel Corporation to adhere to their March 21, 1919, schedule.

Estimated French census this year will show 3,000,000 fewer than in 1911 when last census, showing population of 38,000,000, was taken.

PROFITS OF B.C. FISH LOCKED UP IN UNSOLD STOCK

Expect to Realize Fully On These Stocks Now On Hand

HOPEFUL FOR FUTURE

President Declares Retailers Must Replenish Stocks Shortly—Lower Grades Will be Wanted

The statement of profit and loss has been omitted from the annual report of the British Columbia Fishing & Packing Co., Ltd., issued to shareholders this week, and it is therefore difficult to compare the operations of the past year with preceding years. Assurance is offered in the report, however, by President W. H. Barker that the company has been operated successfully during the year 1920. The shareholders are to be congratulated, he declares, on the results of the season's operations. "While we show our usual profits it must not be overlooked that they are at present about all in unsold stocks. We fully expect to realize the values placed on the unsold stock. The quantity we are carrying is less in proportion than is held by other salmon packers. Owing to the unsettled conditions retailers are not stocking up, but people are eating just the same, and soon their stocks must be replenished."

The balance sheet shows total assets of $4,640,027 compared with $4,548,025 for the previous year. Real estate, buildings, canneries, etc., account for $2,384,497 compared with $2,462,648. Inventories are $588,352 compared with $628,330. Cash on hand and in bank amounts to $116,990 against $233,962. The surplus now stands at $1,495,878 against $1,465,802, a gain of approximately $30,000 on the year's business.

The total pack for the year amounted to 238,769 cases of canned salmon, and 285 tons of mild-cured, and the usual quantity of frozen salmon. Notwithstanding the adverse exchange conditions the export demand for the higher grades was good, at high prices, President Barker pointed out, but the lower grades were neglected. Similar conditions existed in the domestic market. Owing to the necessary high prices for first grades, and the general tendency for cheaper foods it was felt that the lower grades would soon be wanted. Some fourteen canneries were operated during the year, ten in northern British Columbia and four on the Fraser River. Speaking of the outlook for the coming season the president intimated that the company would operate the same canneries and had made preparations for the same pack.

Referring to the decision of the shareholders in November last to make the company the operating company he says:

> While it is with considerable regret that we drop the name of the British Columbia Packers' Association, yet there are some compensations in working under our present title. We have been blamed for many shortcomings of other British Columbia Packers, as all salmon canners in the province are, of course, British Columbia packers. We trust that under the new name our successful operations will continue.

BIG ISSUE COVERING G.T.R. ARBITRATION

By Resident Representative.

MONTREAL.—While the Grand Trunk Railway Arbitration Board has evidently been having its troubles in connection with "replacement values" in the inquiry it is felt that the real battle royal will not start until the board comes to take up the question of the Grand Trunk liabilities in connection with the Grand Trunk Pacific Railway. This promises to be the meat of the arbitration proceedings. It is understood that the full question of the government agreement with the board, including the building of a portion to Winnipeg and the arrangement as to leasing the lines west of Winnipeg, the grade, etc., will also come up as the basis for a legal battle. Naturally the Government will endeavor to throw upon the Grand Trunk the responsibility for as large a portion of the Grand Trunk Pacific liabilities as possible, while the Grand Trunk naturally will bring up the whole question of the agreement with a view to minimizing its share.

As yet there is no suggestion of an ending of the proceedings. In deciding upon the arbitration proceedings the Government announced that a decision must be given within nine months after the appointment of the board. This will expire early in April, but no doubt an extension of the time will be made by order-in-Council.

MAY BE NEW RECORD FOR TEXTILE COMPANY

Annual Report Will Show Highest Sales in History of Company—Excellent Profits

By Resident Representative.

MONTREAL.—From information that has reached the FINANCIAL POST it would appear that the annual statement for the Dominion Textile Company for the year ending March 31, 1921, will be much better than has been expected from the average textile company. A good deal will depend on the working out of the final figures on the depreciation, which must be allowed on the inventories of raw material and made-up goods according to market conditions as they will be around the end of April, when the report is issued. Unless, however, the market takes a further drop it would not be surprising to have the company show as excellent a record of profits as it did one year ago, when these amounted to $1,701,244. It is almost certain that the company will show sales exceeding those of last year and running ahead even of the record established two years ago, which was very close to that of the year 1919.

550% Increase—

WINNIPEG'S population has increased 550% in 20 years.

WINNIPEG ELECTRIC RAILWAY COMPANY has carried 59,000,000 passengers for the first months of 1920.

Their net earnings have increased 50.60% over the same period of 1919.

We believe the securities of Winnipeg Electric Railway Company offer great investment possibilities.

Write for our analysis of Winnipeg Electric Railway Company.

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Montreal Hamilton London, Ont.

The Wabasso Cotton Company, Limited

THREE RIVERS, P.Q.

Manufacturers of Fine White Cotton, also Spinners' Fine Counts of Yarns.

Canada Permanent Mortgage Corporation

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of

TWELVE PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

FRIDAY, THE FIRST DAY OF APRIL

next, to Shareholders of record at the close of business on the Fifteenth day of March.

By Order of the Board.

GEORGE H. SMITH,
Assistant General Manager.

Toronto, February 23rd, 1921.

MERCANTILE TRUST COMPANY of CANADA Limited

HAMILTON ONTARIO

CAPITAL PAID UP $500,000
BOARD OF DIRECTORS
PRESIDENT
CYRUS A. BIRGE
VICE-PRESIDENTS
MAJOR HENRY L. ROBERTS, Grimsby. JAMES TURNBULL, Toronto
DIRECTORS
C. C. DALTON, Toronto
A. E. DYMENT, Toronto
J. J. GREENE
THOS. C. HASLETT, K.C.
SIR JOHN S. HENDRIE, K.C.M.G.
J. F. KAVANAGH
COL. JOHN I. McLAREN
LT.-COL. W. H. MERRITT, St. Catharines
MAJ.-GEN. THE HON. S. C. MEWBURN
STANLEY MILLS
C. S. WILCOX
W. A. WOOD
MANAGER
S. C. MACDONALD

The Permanent Executor

A MAN by becoming an executor does not cease to be a man. He still has his private business, his personal interests, which are bound to take first place in his plans.

He is still liable to run out of town—for a business trip, or a fishing trip,—perhaps just when your wife most feels the need of consulting him.

He is still subject to illness, years, loss of business acumen—death.

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This company's business is attending to your business. This company is never beyond your reach—it takes no vacations, and so is never unavailable through absence.

This company is not subject to incapacity or death. Its exceptional personnel is continually being recruited with highly trained, responsible men.

The management of your affairs is permanent, continuous, vigilant,—when your executor is

The Canada Permanent Trust Company
Toronto Street, Toronto
Paid-up Capital - - - $1,000,000
Manager, Ontario Branch - *A. E. HESSIN*

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All Maturities.
Price—at market

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Price—99 and Interest, to yield 6.10%

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ESTABLISHED 1870
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DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A DIVIDEND of two and one-half per cent. (2½%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st MARCH, 1921, payable APRIL 1st, to shareholders of record MARCH 15th, 1921.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 28th February, 1921.

BW & Co.

NOTICE

We have pleasure in announcing that we have opened a branch at 6 Jordan Street, Toronto, under the management of

MR. S. F. HAYES,

for the transaction of a general investment business.

This Ogfice is especially equipped to specialize in the purchase and sale of Unlisted Bonds and Stocks. It is provided with a quick wire service to Montreal and New York, and is in a position to quote the best prices on all Unlisted Securities.

Inquiries and Orders solicited.

BALFOUR, WHITE & COMPANY
Investment Bankers
136 St. James St., Montreal

DULUTH-SUPERIOR

Earnings of the Duluth-Superior Traction Co. for the third week of February totalled $35,044 as compared with $36,771 for the corresponding period in 1920, a decrease of $1,726 or 4.7 per cent.

NEW DIRECTORATE BOARD FOR BLACK LAKE ASBESTOS

Jacobs' Interests Finally Triumph in Long Struggle For Control

SLATE ELECTED

Bondholders May Apply For Winding-Up Order—Annual Statement Shows Improved Position

The culminating point in the long fight for control of the Black Lake Asbestos & Chrome Co., Ltd., waged by J. A. Jacobs, of Montreal, and the Asbestos Corporation of Canada, was reached at the annual meeting held in Toronto this week when the forces supporting Mr. Jacobs upset the former board of management and supplanted it with a board of its own choosing. Ever since it was learned a week ago that Mr. Jacobs had exercised his option on the shares of the company which had been held by the Asbestos Corporation, and had by buying out the latter secured the mastery of the voting power, there was little doubt of the issue of the meeting. Mr. Jacobs was unfortunately unable to attend the meeting, because of illness, but his representatives came armed with proxies totalling 2,940 out of 4,000 shares.

At the meeting the bondholders of the company made no secret that they feared the new board would run the company so as to show no earnings applicable to the payment of bond interest. At the same time, it was pointed out no dividend could be paid on stock while bond interest went unpaid, so that a policy prejudicial to bondholders would adversely affect the stockholders as well. The bondholders, who have pooled nearly 90 per cent. of the bonds, hinted that as a last resort they would apply for an order for the winding up of the company on the grounds of impairment of capital.

In the election which followed the old board was replaced by the following: Jacob A. Jacobs, president; Maurice Amado, New York, vice-president; directors, J. W. Cook, Montreal; W. G. Ross, Montreal, and Leon Schinasi, New York. The services of Robert F. Massie, former president and managing director, have been retained in the capacity of general manager.

Improved Position

The annual statement of the Black Lake Co., which was submitted at the shareholders' meeting, showed a decided improvement in the company's revenue position at the close of the year. Not only has there been a substantial increase in gross profits but the loss at the close of 1919, after the discharge of all obligations, amounting to $4,975, has been turned into a profit of $1,510 at the end of last year. Profits for 1920 amount to $195,668 compared with $174,859. Bond interest has been regularly met during the year, two disbursements amounting in all to $71,280 having been made, against one only of $35,745 for the previous year. Expenses show a slight increase, standing at $21,802, compared with $18,556. The sum of $80,679 has been applied to the depreciation reserve compared with $87,432. The following table shows distribution of profits for the past two years:

	1920	1919
Profits	$195,668	$174,859
Deduct—		
Expenses	21,801	18,556
Taxes	6,558	4,617
Main. Expenses	13,839	20,708
Chrome Prop.	.....	6,046
Depreciation	80,679	87,432
Bond Interest	71,280	35,745
Res. for Taxes	.....	6,730
	$194,158	$179,834
Profit for year	$ 1,510	*$ 4,975

*Loss.

President Massie points out that while the output of asbestos in tons was a little short of 1919, the cash value was much in excess of previous years, due to changes in processes of extraction, and in the enhanced value of the fibre recovered. A substantial portion of the estimated output for 1921, the president adds, has been sold at satisfactory prices, and should business assume anything like a normal basis this branch of the company's operations should show correspondingly profitable results.

Operations in Chrome Unsatisfactory

Conditions are not so satisfactory in connection with the working of the chrome deposits of the company. As this branch of the company's operations depends entirely upon the condition of the steel market, the business depression was immediately reflected by a drop in the price of foreign ores to a figure where production of the crude ore from this company's properties could not be continued profitably. The larger portion of the machinery and plant used for chrome mining was therefore transferred to the asbestos property. The general situation in connection with the chrome branch of the operations is far from satisfactory, President Massie points out, and with the present low ocean freight rates this company cannot compete with the Rhodesian and New Caledonian ores.

The company's assets now total $5,245,100, being a slight decline from the previous year's total of $5,324,877. Current and working assets amount to $365,550, against $377,345. Accounts receivable show an extensive decline from $205,307 to $86,277, while inventory of asbestos and chrome on hand has largely increased, being valued at $86,277 against $13,902. Current liabilities stand at $53,848, compared with $115,876. The deficit to profit and loss now stands at $62,343 compared with $57,212.

WILLIAM DAVIES CO

A net loss of $102,150 is shown by the William Davies Company, Inc., in their annual report for the last year. Profits on operations of packing plants, after manufacturing, selling, general expense and maintenance costs, were $826,404. Reserves for depreciation amounted to $255,127, and miscellaneous expenses to $173,764.

The balance sheet, as of September 25, 1920, shows net tangible assets of $9,857,079, or an amount equal to $98 a share on the class "A" stock, or to $59 a share on the class "A" and "B" shares combined.

AMES, HOLDEN, McCREADY

The shareholders of Ames, Holden, McCready have been called to meet on March 10 to authorize a general mortgage issue of $2,000,000 to provide working capital.

INJUNCTION DISMISSED

Action to Restrain Sale of Goldfields, Ltd., Fails

The application for an injunction by Fasken & Company, on behalf of P. Kirkgaard restraining Goldfields, Limited, from executing sale of their assets to Canadian Associated Goldfields, Limited, was dismissed with costs by Mr. Justice Middleton at Osgoode Hall, Toronto, this week. The hearing was brief, the judge pointing out that there was not enough evidence presented to substantiate the application.

Ore receipts reported by the Consolidated Mining and Smelting Company at Trail Smelter for the week ending February 21, totalled 8,665 tons, while for the year to date the receipts amounted to 58,215 tons.

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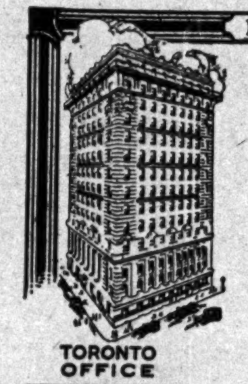
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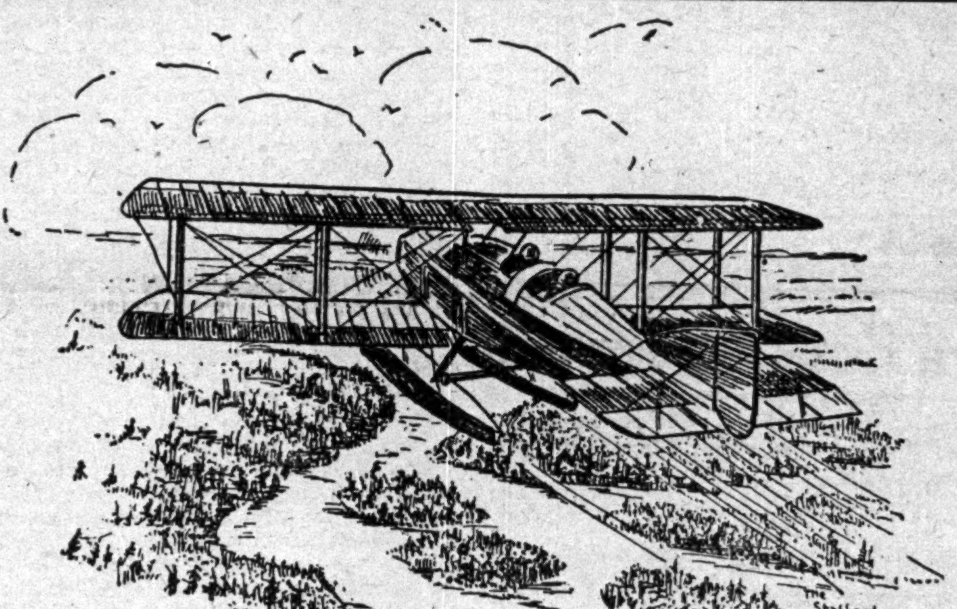

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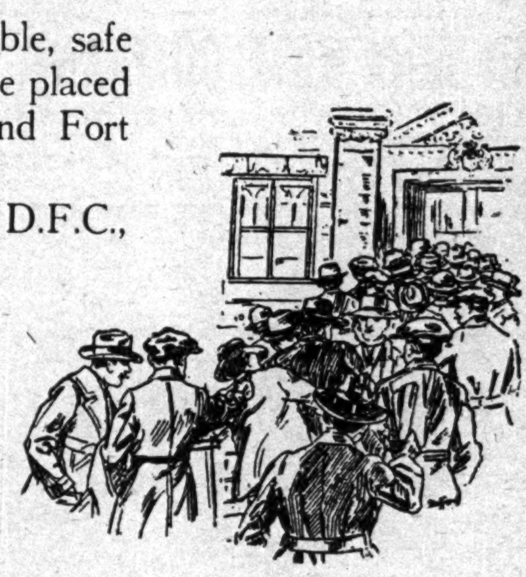
Two six-passenger Flying Boats of a stable, safe type, approved by the British Air Board, to be placed in schedule service between Peace River and Fort Norman the first day of May.

Capt. Fred Robert McCall, D.S.O., M.C., D.F.C., in charge of actual flying.



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No Deviation From This Rule

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Limited

Manufacturers of

COTTON FABRICS

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Are you getting the best from your power?
If not—why?—and why not?
You want to reduce your costs.
How—We will tell you—That is our business.

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Consulting Engineers Electrical Equipment

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Century Coal Company
LIMITED

310 Dominion Express Building
MONTREAL, QUE.

COAL

TELEPHONE MAIN 7300

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OF CANADA

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BELL TELEPHONE SHOWED DEFICIT OF OVER $1,800,000

Amount Required for Dividends Had to Come From Surplus

HIGHER RATES COMING

At Least Expectations of Company Are Very Strong—Suspending Extensions—George Caverhill a Director

By Resident Representative.

MONTREAL. — Considering the character of the statement submitted the proceedings of the Bell Telephone Company's annual meeting were remarkably cheerful. Judging by the calm and philosophic and almost contented demeanor of the president, vice-president and the other directors, and the ordinary shareholders in general, it could hardly be judged that the company was showing a deficit on the year's operations of $1,831,971; or that by the time the company started to consider dividends after the ordinary deductions there was a debit balance of $31,961 and dividend payments of $1,800,010 still to meet, with a final result that the surplus was diminished by these two totals. Nor could it have been judged on the surface that the net earnings of the company for the year amounted to only 1.4 per cent. of a total of assets of $62,050,089.

The keynote, however, to this meeting and to the buoyant condition that the capital stock of the company showed in the market after the statement was issued, is confidence in a goodly increase in rates in the near future. This confidence was expressed on two or three occasions by the president, L. B. McFarlane, during the course of the meeting. Indeed the conclusion might be readily reached that the larger the deficits the company experienced under the present rate the larger the increase which might be looked for from the Railway Board to govern their future operations. It was owing to this underlying current of expectation on behalf of all present that the actual figures of the statement lost interest and very much of their significance.

In the main they show a continued growth in the development of the company's services, the total revenue increasing from $14,149,119 to $16,513,384. The deductions for maintenance showed an increase of over $1,000,000 as compared with the previous year, while depreciation was increased some $570,000. The net earnings amounted to only $218,043, as compared with $1,935,215 and, allowing for sundry earnings of $662,000, a total of $881,522. The interest charges showed an increase of $243,000 due to the issue of $5,500,000 of 7 per cent. bonds during the past year, which brought the total bond issue to $16,649,000. The dividend payment showed an increase during the year owing to the increase in the capital stock of the company. The profit and loss account for the past few years compares as follows:

Profit and Loss Account

	1920.	1919.	1918.
Gross earn.	$16,513,384	$14,149,119	$12,227,545
Less:			
Oper. exps.	9,106,078	6,735,310	5,463,818
Mainten.	3,569,162	2,507,791	1,903,624
Depreciation	2,885,400	2,316,200	2,648,760
Taxes	734,700	654,602	534,256
Total	$16,295,341	$12,213,904	$10,650,459
Net earn.	218,043	1,935,215	1,677,085
Sndry earn.	663,479	218,108	427,602
Tot. net.	881,522	2,153,324	2,104,688
Interest	913,483	670,208	562,053
Balance	*31,961	1,483,116	1,542,634
Dividends	1,800,010	1,440,000	1,440,000
Bal. for'd	†$1,831,971	$ 43,116	$ 102,634

*—Deficit. †—Debit balance.

Reserve Increased

The balance sheet shows an increase in plant from $45,033,651 to $51,729,192. Bills and accounts receivable have increased from $1,085,876 to $1,682,601, while investments declined from $3,799,627 to $2,843,327, accounts payable are down from $1,274,943 to $918,603, but there is a bank debt of $837,572 which did not appear in the statement of one year ago. The surplus and reserve account in all amounts to $21,614,999 as compared with $20,580,632 at the end of 1919.

In his address to the shareholders the president pointed out that while the company was unable to satisfy the enormous demand for services during the year it yet had a net gain of $38,885 or 11½ per cent., the greatest yearly gain in the history of the company.

No Tax on Dividends of 1920

An interesting application of the ruling of the department at Ottawa is contained in a reference to the payment of dividends, where it is stated that the dividends declared during the year have been paid out of surplus of profits accumulated prior to 1st of January, 1917. No normal income tax, supertax or surtax is payable by the shareholders in respect thereof, under a ruling of the Commissioner of Taxation dated 23rd December, 1920. This exemption does not apply to the dividend paid on 15th January, 1920.

Rates and Extensions

That the delay in obtaining a permanent settlement of the application for a rate increase has resulted in the shutting down of extensions is made clear. The report says along this line:

No Further Extensions for Present

Until a decision on the rate case is given by the commission, it will only be possible to finance for future capital needs at prohibitive cost. Your board has felt that this is not in the interest of subscribers or shareholders, and have therefore suspended expenditure under the 1921 budget, hoping that rates may be authorized whereby we will earn a fair return, insure a profit which will compare favorably with the return from other investments of a similar character and thereby attract capital at reasonable rates.

Stock for Employees

An interesting announcement was made of a stock purchase plan for the employees:

Stock Buying by Employees

Another financial transaction of special interest was the stock purchase plan for employees, which was approved by your board and became effective in August. By this plan employees are given the right to purchase at par one share for each $300 or fraction thereof at the annual rate of pay which they were receiving at 1st of May, but not exceeding 20 shares, they agreeing to pay for the same by deductions from wages. Interest on the unpaid balance is charged at the rate of 4 per cent. per annum, and the account is credited with an amount equal to dividends declared during the purchase period. The plan was promulgated in response to many requests by employees that they be given an opportunity to become shareholders on an easy payment plan. The possession of a financial interest in the company by the employees appeared to the board to be of mutual advantage. The offer was taken advantage of by 2,271 employees for an amount of 8,548 shares, an average of 3.76 shares each.

Earned Only 1.4 Per Cent. on Assets

Total assets, and net earnings:

Year	Total Assets (Excluding Cash and Receivables	Expenses.	Net. Earnings.	% Net Earn. to Total Assets
1900	$ 7,498,762	$ 1,177,582	$ 436,680	5.8
1905	14,062,605	2,512,696	1,004,898	7.1
1910	22,541,382	3,781,109	1,729,576	7.6
1915	39,789,807	7,412,689	2,221,985	5.6
1920	62,050,089	16,295,341	881,523	1.4

At the meeting of shareholders George Caverhill, of Montreal, was chosen to succeed the late Andrew J. Dawes on the directorate.

SEN. NICHOLLS AND DOMINION STEEL

His Valuable Services Are Recognized by the Board of Directors

In connection with the retirement of Hon. Frederic Nicholls from the boards of the Dominion Steel Corporation, the Dominion Coal Company and Dominion Iron & Steel Company, President R. M. Wolvin submitted to the meeting a brief memorandum of Hon. Mr. Nicholls' service to the corporation and its constituent companies, which began with his election to the board of the Dominion Iron & Steel Company, Limited, at its annual meeting on 14th May, 1903. Later in the same year he became vice-president and in 1904 during the illness of the president, J. H. Plummer, acted in his place and devoted much time to the affairs of the company.

On Mr. Plummer's return to the chair in 1905, Mr. Nicholls, having announced his intention of retiring from the vice-presidency, was asked to accept a gift of 1,000 shares of the company's stock in recognition of his services. This having been declined by Mr. Nicholls his fellow directors presented him with a piece of silver as a mark of their appreciation of his services to the company during his tenure of the office of vice-president.

Upon the organization of the Dominion Steel Corporation he was elected a director and in 1914 a vice-president. He has been vice-president of Dominion Coal Company, Limited, since the death of J. Reid Wilson in 1914. On motion it was:

RESOLVED that the board of directors accept the resignation of Lt.-Col. the Hon. Frederic Nicholls with much regret and that the president be requested to convey to Colonel Nicholls their appreciation of the very great service rendered by him during the past eighteen years to the corporation and its principal constituent companies, more especially upon occasions when he was able to lend material assistance to his fellow directors in their efforts to maintain and strengthen the position of those companies, and to devise satisfactory measures for their mutual benefit and final amalgamation in the corporation.

THAT the directors express their sense of personal loss that they will individually sustain by the withdrawal of Lt.-Col. the Hon. Frederic Nicholls from the board at which his attendance was always marked by expressions of sound and helpful opinions upon all matters brought there for discussion.

MONTREAL COTTONS' SPLENDID SHOWING FOR READJUSTMENT

After Providing for Losses Through Falling Prices Profits Still Large

EARN 20% ON COMMON

Working Capital Increased by Over $500,000—Meeting Dumping Prices— Reassuring Report

By Resident Representative.

MONTREAL.—The first of the larger textile companies, Montreal Cottons, Limited, to report for the year 1920 carries reassuring evidence of having weathered the period of readjustment to falling commodity prices in a manner better than was generally expected. After making provision for full losses to date in its raw cotton, stocks and inventories of manufactured goods, the company emerges with net earnings of $617,252 that fall little short of last year's total of $662,538, or of that of 1918 of $681,220. So far as earnings on common dividends are concerned the percentage available this past year was 20.57, as compared with 22.08 in 1919 and 22.7 in 1918: a very excellent result. It may well be that in the next few months pressure of the United States markets may force a further reduction in prices, and thus cause a further loss-taking on goods in stock, but it may be assumed now that by far the worst has come, and that worst is not very harmful to this textile company.

The profit and loss account shows an increase of over $1,200,000 in cloth sales. Dividend payments indicate the increase during the year from 4 to 6 per cent. The items for the past three years compare thus:

	1920	1919	1918
Cloth sales	$8,804,459	$7,678,506	$5,917,520
Do. in proc.	604,605	640,629	707,380
Total cloth	$9,409,064	$8,319,135	$6,624,900
From prev. yr.	640,630	707,380	825,558
Net	$8,768,434	$7,611,755	$5,799,342
Oper. exp.	8,039,130	6,616,715	5,096,246
Oper. inc.	$ 729,304	$ 995,040	$ 703,096
Other inc.	79,511	19,165	17,553
Total inc.	$ 808,815	$1,014,205	$ 720,649
Bond int.	*191,563	351,667	39,429
Net earn.	$ 671,252	$ 662,538	$ 681,220
Dividends	390,000	345,000	330,000
Surplus	$ 227,252	$ 317,538	$ 351,220

*Includes bad debts, war taxes, etc.

In his address to the shareholders the president, S. H. Ewing, thus reviews readjustment conditions:

Unfavorable Conditions

"This year was one of great commercial upheaval—labor was clamoring for higher wages; raw cotton, coal and supplies soared to prices unknown, with the trade demanding more goods, this continued for seven month, and then, without warning, business suffered an immediate collapse. Supplies, especially raw cotton, had a phenomenal decline.

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The balance sheet shows a stronger working capital position, this increasing from $3,003,949 to $3,557,232 as follows:

Working Capital

	1920	1919
Current assets	$4,438,918	$4,190,247
Current liab.	881,686	1,186,298
Bal. work. cap.	$3,557,232	$3,003,949

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January average weekly factory pay in New York State $27.61, decrease of 74 cents from December and $1.32 from peak in October. Decreases are announced effective in succeeding months, indicating definite downward trend.

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$ 6,000 Province of Saskatchewan 6% Bonds due 1st February, 1936. Interest (1st of February and 1st of August) at 99	6.10%
$14,000 City of Hamilton, Ontario, 5% Bonds due 1st of November, 1921. Interest (1st of May and 1st of November) at 99½	

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NICKEL INDUSTRY WOULD BE HARD HIT BY NEW TAX

Business Interests Hold a Meeting of Protest at Sudbury

EFFECT ON CAPITAL

Some Illustrations of How Present Levies Work to Discourage Investment for Development Work

By Resident Representative.

SUDBURY.—Mines as a source of revenue for the province and the efficacy of taxing mines, as compared with other enterprise, and the proposed hydro tax, were the subject of a serious discussion by a large number of business and mining men of Sudbury, which culminated with a resolution condemning the proposed increased mining taxation.

The meeting was not an anti-Drury one, or political in any way. It was a business men's gathering and conducted in a business way.

The full purport of the meeting and the deep seriousness with which all look on the new taxes can be better understood when one understands the serious straits of the big nickel mines to-day. The British American Nickel Corporation has closed its works completely. The International Nickel Co. is working at less than one-third the rate of a year ago. The Mond Company is at a greatly reduced output and has just cut the wages of every employee, so as to enable it to keep going. But worst of all; there is no market for the products they are producing. All have vast quantities on hand and the price offered, with an infinitesimal market, is almost below production cost.

The present method of taxation was placed in force in 1907 and placed the mines under three kinds of tax, (a) the profits tax; (b) the acreage tax; (c) natural gas tax.

The Present Taxes

This act was amended from time to time, the largest change being in 1917, especially for nickel-copper mines, as a result of the report of the Royal Ontario Nickel Commission. This provided, after outlining what were costs, that all profits over $10,000 and under $100,000 were liable to a three per cent. tax, and on profits over $100,000 six per cent. and upwards. This, if it was not a copper-nickel mine. The latter came in for special treatment. Where the other mines paid three per cent., the nickel mines pay five per cent. up to $5,000,000 and then at an increased rate.

In 1916 the Federal Government imposed a business profit war tax of 3 3-4 per cent. on the mines' profits. Under amendments in 1919 and 1920 the tax was increased to 5¼ per cent.

Combining, then, the Federal and Provincial income taxes and ignoring for the time being the many other sources of Government revenue from the mining industry, it is found that in the case of mines, other than nickel-copper, they are taxed on all yearly profits over $10,000 at the rate of 8¼ per cent., and on so-called profits over $1,000,000 at the rate of 10¼ per cent.

In the case of the Sudbury nickel-copper mines the rate on all alleged profits over $10,000 and up to $5,000,000 is 10¼ per cent. and all over $1,000,000 grading upwards from 11¼ per cent.

How They Work Out

But the fly in the miners' ointment is that what are taxed as net profits are not net profits and in many cases the Government levy is really a levy on capital and a penalty on those who venture their substance in a mining proposition.

For the taxation measure provides that each year shall be treated as a separate unit. As an example. In 1920 a mine spent $100,000 in development and equipment with no production. In 1921 spent another $100,000 and produced ore worth $200,000. It is plain that it has made no profit, yet the Government will demand a tax on $90,000.

But the mines have another strong kick. It is recalled that the present Government has appointed so far somewhere near 19 commissions, so it evidently has faith in "commission" reports. Yet the taxation system in vogue and proposed is a direct contradiction of the advice of the Royal Ontario Nickel Commission.

"A workable mining proposition should yield during the life time over and above the net profit tax, a reasonable dividend (say 15 or 20 per cent.), together with a further sum, which at a fair rate of interest, will replace the capital."

"If in view of the increased revenue which will be required (war revenue was meant), it should be necessary to call upon the mining industry for a larger contribution, the commissioners are of the opinion, that the rate on the net profits should not exceed five per cent."

"While a mine lives it must return all the capital expended on purchase, development and equipment, otherwise a loss is sustained."

And so from this report it must seem that net profits as understood by the commission cannot be obtained until the initial investment has been returned either in dividends or some other form.

OPERATORS IGNORE CONCILIATION AWARD

Labor Conditions in Alberta Coal Fields Have Changed Considerably

By Resident Representative.

EDMONTON. — Recommendations made by a conciliation board appointed by the Department of Labor to deal with the recent coal strike here are being ignored by the operators concerned, and it does not appear likely that any further action will be taken. All the mines in the field are still working under the old agreement, though on only part time, as orders have fallen off with the passing of the winter season.

The strike was for higher wages and recognition of the union. Edmonton mines have not before been organized, but the United Mine Workers are now in the field. On the score of wages an increase was asked for that would bring the scale up to that paid in the Drumheller field.

A majority report was submitted by the conciliation board recommending that the union be recognized and that the increase of wages be granted. It was specified that this increase should not apply in the case of two of the mines until wage contracts now in force had expired, a few months hence.

Chairman C. D. Fisher, appointed by the Department, and R. Livett, representing the miners, signed the majority report. Mayne Reid, appointed also by the Department to represent the operators, sent in a minority report to the effect that all the demands be refused. The increase in wages, he claimed, had been asked for on the assumption that the operators were making large profits, and the evidence at the inquiry had shown that this was not the case. The industry was not a profitable one at present, and the time was not opportune, with prices generally tending downward, for an advance in the retail price of coal, which would be the inevitable result of a raise in wages.

It was also pointed out that the Edmonton and Drumheller fields could not fairly be put on the same basis, as there were differences in the grades of coal and conditions of mining, and it was necessary to maintain a certain differential in favor of the former field in order to give it a fair basis of competition in the outside markets.

ONTARIO OIL FIELDS

Petrolia District Led in Production in 1920

By Resident Representative.

LONDON.—A report just prepared by J. C. Waddell, supervisor of crude petroleum bounties, shows that the production of crude oil in this district last year was 181,749 barrels. Of this amount more than one-third, or 65,081 barrels, was pumped from the wells in and around the town of Petrolia. The old pumping rigs in that district have to great extent been replaced by electrically operated equipment and while the wells may be slowly diminishing the increased pumping facilities are maintaining production at about the usual figure.

Oil Springs came second in the production list with 39,388 barrels, followed by Bothwell with 26,563 barrels and Mosa township with 24,063 barrels. There is a big drop between this and the next highest, West Dover fields, located around Chatham. Here the production was 12,170 barrels. Moore township pumped 7,036 barrels and Sarnia township 3,494.

Those in close touch with the situation stated to THE FINANCIAL POST that they are not looking for any extensive development work in this section this year.

STRUCK IT RICH

By Resident Representative.

London. — Oil men are all much interested in reports received that Col. C. O. Fairbank, of Petrolia, who is now in California, recently struck it rich again in a Western field and is receiving $50,000 a month in returns from a gusher.

WINNIPEG ELECTRIC

An additional $2,000,000 common stock of the Winnipeg Electric Railway Company was listed on the Toronto Stock Exchange on Saturday last. The total common outstanding now amounts to $11,000,000, an increase from $9,000,000 having been authorized at the beginning of the year.

CLOSING BRITISH AMERICAN NICKEL BLOW TO INDUSTRY

But Was Not Unexpected in View of Conditions Prevailing

NOTES OF THE MINES

Mond Company is Cutting Costs—Contact Bay Makes Good Showing—Activity on Larger Scale

By Resident Representative.

COBALT.—The copper nickel mining industry received somewhat of a setback this week, when General Manager Carlyle of the British American Nickel Corporation announced that the directors had decided to suspend operations until such time as the market for their products improved. This means that close to 800 miners will be immediately thrown out of work and in a short time 400 more will be out at Ottawa when the corporation's refinery will close. Ever since the armistice, it has been impossible to sell copper or nickel and still the costs of the companies remained high. The International was the first to curtail. The Mond Company has also taken a step in cutting costs and has cut the wages of its employees five cents an hour or 40 cents a day. As far as can be learned there are no further plans of curtailment. C. W. Corless, the Mond general manager, is just back from Great Britain. He says there is no improvement in the market and no signs of any change in the present situation.

Notes of the Mines

A statement has just been issued to the effect that the Contact Bay mine has produced gold valued at $4,000. This shows values of $20 a ton. However, milling operations have been suspended, and it is the intention of the Dryden Mining interests to go ahead with the development of a large ore body before further milling. The Wachman Mining Company is working part of this property, an extension, and is getting about the same values.

The Silver Islet syndicate will start diamond drilling and will go ahead with their operations at once. Much preliminary work has been carried out.

The Hunton-Kirkland continues to get good results, a favorable feature being the discovery of ore in shaft sinking instead of as a result of cross-cutting.

King-Kirkland officials have just paid a visit to the property and expressed pleasure with the results obtained. Veins opened up are of good width and show consistency so far, while assays are said to run high.

The Cane silver mines on the Elk Lake branch of the T. and N.O. is planning to resume operations. A large number of excellent veins have been opened up on this property. Last fall a large amount of ore was bagged and shipped from surface test pits and an open cut.

The Walsh property in Gowganda is going ahead again. The Silver Bullion, owned by the same interests, will also resume. Both are excellent properties, and are controlled by Montreal and Ottawa interests.

The workers on the Castle property of the Trethewey quit when a reduction of wages was put into force. A new gang is being engaged.

Within a reasonably short time plans will be complete to utilize every milling plant in the Porcupine and Kirkland Lake gold camps. The big Porcupine producers are also planning on jumping their output and the result is that the gold production of the province should soar. This should at least mean that the coming summer will see the present output doubled. At least 1,500 more men will then be engaged.

Millheads at the Bailey silver mine are running high. The average is said to be around 19 ounces and sometimes runs up to 45 ounces.

RICE LAKE DISTRICT

Commonwealth Gold Mines Extending Operations

Recently there has been a noted activity in the Rice Lake district. A number of the mines are sending men up for development work. The Commonwealth Gold Mines intend furthering their operations this year. Last year work was confined entirely to surface operations, resulting in the discovery of four new veins, making six in all, measuring twenty to twenty-two feet in width. Considerable free gold is in evidence and further finds are expected this year.

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	1919	1920	Increase P.C.
Income for the year	$ 806,487.75	$ 955,392.55	18.5
Policies Issued and Revived	6,294,139.00	8,873,862.00	41.0
Insurance in force December 31st.	17,879,907.00	22,190,672.00	24.1
Policy Reserves December 31st ...	2,709,424.30	3,051,604.89	12.6
Total Assets December 31st ...	3,350,808.78	3,690,401.13	10.1

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MONEY BANKING AND EXCHANGE

N. Y. TO CONTINUE DOMINATION OF CANADA'S DOLLAR

E. M. Dawson Addresses Toronto Bankers' Educational Association

HOW RATES ARE SET

Procedure Very Similar to Quotations on Stocks and Bonds—Rates Set by Dominant Leaders in Market

E. M. Dawson, manager of the foreign exchange department of the Union Bank in Montreal, declares that New York dominates the Canadian dollar, and he foresees a continuance of this domination in the international money market. Mr. Dawson recently lectured to the staffs of the branch banks in Toronto, under the auspices of the Toronto Bankers' Educational Association. While his address necessarily was technical in character as pertaining to foreign exchange operations, much of what he had to say was interesting and illuminating as concerning the present status of the Canadian dollar abroad. On the point of setting the rate he said:

"It would appear as if New York should set the rate for New York funds in Canada, or the rate of Canadian exchange, but that has not been the fact in the past, owing generally, I think, to the reason that there were very few bills of exchange actually drawn by the U. S. upon Canada, as compared with the settlements which are made between Canada and the U. S. in open accounts. In fact, I think, the situation is this—and I see evidences of it more every day—that New York is going to dominate the rate for the Canadian dollar in New York and then automatically set the rate for New York funds in Canada, whereas in the past the rate was first set and New York then adjusted its discount on the Canadian dollar accordingly.

"The rates for exchange are very similar to the quotations on stocks and bonds, and fluctuate accordingly. They are set here in Canada in the two large centres such as Montreal and Toronto, and in the United States they are set in New York for all the exchanges, with the possible exception of some of the orientals. The opening quotations are made, of course, each morning and the rates are generally set by the dominant leaders in the market, who start the market going and say they will undertake to buy at a certain price and sell at another price, until some other factor enters into it and the old law of supply and demand gets to working again. The brokers are dealing in exchange all day and keeping the buyers posted in London and New York and Montreal and in every centre of the work—very similar to the stock market.

"There is a point here I would like to dwell upon and that is the difference which always exists in the exchange market as well as in the stock market or wheat market, and that is there is always a 'bid and asked price' for exchange. You cannot say for example that New York funds are selling to-day at 15½ per cent. premium. There is the brokerage, which is about 1-64th, consequently New York funds may be quoted at 15½ per cent. and there is bid 15 7-16 and an offering or 15½ and the market is squarely between the two. These 'bid and asked' rates vary greatly. That point would be well to explain to the public if the occasion ever arose. I have had experience with it myself where clients say 'New York is quoted at 10¼ per cent. premium. Why is it that I cannot sell to you better than 10⅛ and buy from you better than 10⅜?' I said: 'There is the legitimate commission to be charged on the transaction and furthermore there is always a discrepancy between the 'bid' and the 'asked' prices."

Mr. Dawson endeavored to show how the present position of the Dominion had its effect upon the Canadian dollar in international money markets.

"I have been asked many times how it was that in spite of favorable trade balance we have our exchange depreciating. We are familiar with the fact that our heavy favorable trade balance was composed largely of goods sold to Great Britain during war-time on credit, and in a large measure was offset by the cost of maintaining our troops overseas. We were then in the position of extending liberal credits abroad and paying cash for our commodities in the United States and consequently our exchange became greatly depreciated.

"In the past we could borrow abroad in London and use London funds to settle our national obligations. That channel has been closed to us since the war and we have under especially exorbitant rates been able to borrow the money in New York. We must, therefore,—and when I say 'must,' I believe it is almost becoming a platitude—know that the only remedy for us is to cut down in the purchase of luxuries in the United States and increase our production and increase our exports and get our exchange back to a nearer approach to normal. We have heavy interest obligations due abroad which are estimated to run from two hundred to two hundred and fifty millions of dollars per annum. In addition, to that there is a lot of money being remitted each year by immigrants and foreigners who reside in this country and who are sending the money home to their people or sending it home to save in the hope of returning there some day to live.

"Canada is in a position to-day where I think we must all put our shoulders to the wheel and use every possible effort to right the situation which is costing us so dearly for all classes of goods purchased abroad, and let me add in connection with that; that it does not matter where Canada spends a dollar abroad, that situation is eventually brought forth in the increase in the premium on New York funds, for the reason that all of Canada's rates are governed by New York quotations and eventually the money must be sent to New York for pay for every dollar's worth of goods, whether we buy in New York or in Hong Kong."

To the question whether the New York discount on Canadian funds is ever likely to be brought to par before sterling or whether the position of the Canadian dollar depends on the rehabilitation of sterling Mr. Dawson replied:

"To a certain extent yes. I would say, however, ultimately no. The Canadian dollar is no doubt largely influenced by the fluctuation of Sterling exchange. I think eventually that the Canadian dollar will break away from the influence of Sterling. I have seen evidences in the past few months where in spite of the rising market of Sterling we have seen New York funds rising, too. If Sterling exchange rises to a very high point there are surely some things in Canada which will affect the New York market to that extent and I would think it within the bounds of probability that Sterling will be at par in Canada before it is at par in New York."

Mr. Dawson was asked why Canada was dependent upon New York for all money quotations. "I think the situation will be remedied when we are doing a bigger business with some other country than we are with the United States," he replied, adding:

"If we do a bigger business with Great Britain than with the U. S. then we will be in a position to set our own Sterling rates. The reason for that is that there is always a bigger and broader market for New York funds in Canada than for any other foreign exchange. This is due to arbitrage. You can sell New York funds at any time; frequently you cannot sell Sterling without a concession and automatically then, owing to the biggest proportion of our trade being done with the New York funds, and in addition to that you will always find that the bigger market and the broader market will set the rates. You see that in the stock market as a good illustration. C. P. R. is automatically governed by rates set in New York, because it is the biggest and the broadest market. It is the nation with which we do the biggest business whose exchange will dominate—such as the U. S. We do the most of our trading with the United States, with a greater supply and demand of New York funds in the market; consequently we go to New York because we can buy New York funds easier than any other exchange, and sell there the other exchanges such as Sterling and francs, which we want to buy ourselves."

Weekly Bank Clearings

(In comparison with same week last year.)

Eastern Cities

	Feb. 24, 1921.	Change	%
Toronto	$102,391,058+	$ 7,985,006	8.4
Montreal	105,486,172—	26,286,482	12.3
Ottawa	6,132,365—	902,610	12.8
Hamilton	5,052,959—	912,882	15.3
Quebec	5,579,425—	1,490,056	21.0
Halifax	3,890,496+	140,420	3.7
London	2,547,709—	35,964	1.3
St. John	2,652,166—	139,078	4.9
Windsor	2,881,791+	606,657	26.6
Brantford . . .	988,898—	160,552	13.9
Kitchener . . .	779,399—	156,291	16.7
Sherbrooke. . .	919,870—	68,087	6.8
Peterboro' . . .	767,925—	13,325	1.7
Total East. .	$240,070,233—	$21,433,244	8.1
Moncton	1,096,617	....	..

Western Cities.

	Feb. 24, 1921	Change	%
Winnipeg . . .	$ 37,528,503+	$ 340,578	.9
Vancouver . . .	13,019,904—	3,714,814	22.2
Calgary	6,087,450—	1,552,886	20.3
Edmonton . . .	4,854,780—	275,719	5.3
Regina	3,058,974—	53,083	1.6
Victoria	2,270,264—	543,361	19.3
Saskatoon . . .	1,584,787—	187,155	10.6
Moose Jaw . . .	1,164,032—	161,008	12.1
Ft. William . .	803,788+	95,643	13.5
Brandon	694,882+	104,345	17.6
N. Westminster .	421,826—	212,372	33.3
Lethbridge . . .	462,302—	164,547	26.2
Pr. Albert . . .	351,012—	105,976	23.2
Medicine Hat . . .	363,336—	8,732	2.3
Total West . . .	$ 72,665,840—	$ 6,439,037	8.1
Grand total . .	$312,736,073—	$27,872,281	8.1
Yr. to date . .	$2,703,765,866—	$126,578,852	4.4

Monthly Bank Clearings

(In comparison with same month last year.)

Eastern Cities

	February, 1921.	Change	%
Toronto	$408,802,335+	$ 17,964,065	4.5
Montreal . . .	422,940,799—	115,670,465	21.4
Ottawa	29,988,218—	4,043,532	11.8
Hamilton	21,962,250—	2,712,816	10.9
Quebec	23,155,877—	1,804,488	7.2
Halifax	13,520,684—	2,492,938	15.5
St. John	10,841,239—	886,563	7.5
London	11,420,183—	1,354,663	10.6
Windsor	11,287,194+	1,048,673	10.2
Brantford . . .	4,905,499+	130,910	2.7
Kitchener . . .	3,472,010—	530,006	13.2
Sherbrooke . . .	4,293,446+	420,034	10.8
Peterboro' . . .	3,378,990+	201,102	6.3
Total East . .	$969,968,724—	$109,730,686	10.1
Moncton	4,377,519	....	..

Western Cities

	February, 1921.	Change	%
Winnipeg . .	$175,892,553+	$ 7,276,591	4.3
Vancouver . . .	53,218,954—	9,270,053	14.8
Calgary	24,790,795—	5,222,509	17.4
Edmonton . . .	18,503,237—	1,147,703	5.8
Regina	13,601,611+	489,604	3.7
Victoria . . .	9,410,584—	1,750,390	15.6
Saskatoon . . .	6,722,876—	558,787	7.6
Moose Jaw . . .	4,875,828—	751,543	13.3
Ft. William . . .	3,464,579—	63,738	1.8
Brandon	2,611,496+	113,798	4.5
N. Westminster.	2,441,207+	22,243	.9
Lethbridge . . .	2,403,892—	383,527	13.7
Medicine Hat . .	1,556,627—	75,901	4.6
Pr. Albert . . .	1,284,263—	425,421	24.8
Total West .	$320,778,441—	$ 11,747,386	3.5
Grand Total	$1,290,747,165—	$121,478,022	8,6

EXCHANGE MARKETS

Continue Fairly Steady Throughout Week—Sterling Firmer.

Exchange markets were steady throughout the week. Sterling firmed up somewhat, advancing from $3.84¾ to $3.87⅞ at close.

New York funds moved about 14, the closing quotation at 14 3-16 comparing with 13½ at the outset.

The following are the fluctuations:

New York Funds

Feb. 24.—New York funds opened at 13½, sales at 13¾, and 14¼ to 14 5-16.

Feb. 25.—Funds opened at 13⅞, sales at 14, 14⅛, 14, 14 1-16.

Feb. 26.—Sales at 14¼ and 14⅛.

Feb. 28.—Funds opened at 14¼, closed at 14⅛.

March 1.—Funds opened weak at 14, falling to 13⅞; recovered to 14 and 14 1-16 at close.

March 2.—Opened at 14 5-32, sales at 14 7-32, 14⅛, 14 3-16.

Sterling and Francs

	Sterling		Francs	
	Demand	Cables	Demand	Cables
Feb. 24	$3.84¾	$3.85½	13.95	13.93
Feb. 25	3.86¼	3.87	14.12	14.10
Feb. 26	3.86¼	3.87	13.95	13.97
Feb. 28	3.87½	3.88¼	14.04	14.02
Mar. 1	3.88½	3.89¼	13.87	13.85
Mar. 2	3.87⅞	3.88⅝	14.06	14.04

The Montreal City & District Savings Bank

NOTICE is hereby given that a Dividend of Two Dollars and Fifty Cents per share has been declared on the Capital Stock, called and paid up of this Bank, and will be payable at its Head Office, in this City, on and after Friday, April first next, to shareholders of record, Tuesday, March fifteenth next, at three o'clock p.m.

By Order of the Board,
A. P. LESPERANCE,
General Manager.

Montreal, February 26th, 1921.

BRAZILIAN TRACTION LIGHT AND POWER COMPANY, LTD

(Incorporated under the laws of Canada)

PREFERENCE SHARES

NOTICE is hereby given that a quarterly dividend of 1½% per cent. has been declared on the Cumulative Preference Shares of the Company, payable on the 1st day of April, 1921, to shareholders of record at the close of business on the 15th day of March, 1921.

J. M. SMITH,
Secretary.

Toronto, Canada, March 1st, 1921.

DIVIDEND NOTICE

CANADIAN GENERAL ELECTRIC CO., Limited

COMMON STOCK DIVIDEND NO. 87.

Notice is hereby given that a Quarterly Dividend of two per cent. for the three months ending the thirty-first day of March, 1921, being at the rate of eight per cent. per annum, has been declared on the Common Stock of the Company.

PREFERENCE STOCK DIVIDEND NO. 50.

Notice is also given that a half-yearly Dividend of three and one-half per cent. for the six months ending the thirty-first day of March, 1921, being at the rate of seven per cent. per annum, has been declared on the Preference Stock of the Company.

The above Dividends are payable on and after the first day of April, 1921, to Shareholders of record at the close of business on the fifteenth day of March, 1921.

By order of the Board,
W. H. NESBITT,
Secretary.

Toronto, February 26th, 1921.

The Sherwin-Williams Company of Canada, Limited

DIVIDEND ON PREFERRED STOCK

NOTICE is hereby given that the Thirty-ninth quarterly dividend of One and Three-Quarters Per Cent. (1¾%), being at the rate of Seven Per Cent. (7%) per annum, for quarter ending February 28th, 1921, has been declared, payable to shareholders of record the fifteenth day of March, 1921, and that cheques will be mailed on March 31st next.

Books not closed.

By Order of the Board.
J. H. GORDON,
Secretary-Treasurer.

Montreal, February 22nd, 1921.

High Grade
Quebec Municipal
and
Industrial Bonds
Also
French Government Issues
L. G. Beaubien & Co.
Members Montreal Stock Exchange
50 Notre Dame St. West, Montreal
Branch Offices:
Paris Quebec Three Rivers

An Exceptional Investment

The 6% First Mortgage Sinking Fund Gold Bonds of a Canadian Public Utility Company, operating under an exclusive franchise in its own territory, offer an exceptional opportunity for safe investment, and yield

9.30%

These bonds are due April 1st, 1931, and are payable in New York.

This is only one of the many sound and profitable investments we are able to offer from time to time, due to exceptional buying facilities.

Wire, write or telephone for further particulars, and see that your name is on our regular mailing list.

Truax, Higgins Co.
Lewis Building Main 3618-3619
MONTREAL

The Dominion Bank

NOTICE is hereby given that a Dividend of Three Per Cent. upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1921, being at the rate of 12 per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the first day of April, 1921, to shareholders of record of 19th March, 1921.

By Order of the Board.
C. A. BOGERT,
General Manager.

Toronto, 18th February, 1921.

The Bank of Nova Scotia

DIVIDEND NO. 205

NOTICE is hereby given that a Dividend at the rate of Four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending March 31st, and that the same will be payable on and after Friday, the first day of April next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 17th to the 31st proximo inclusive.

By order of the Board,
H. A. RICHARDSON,
General Manager.

Halifax, N.S., February 25th, 1921.

THE SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED

DIVIDEND ON COMMON STOCK

NOTICE is hereby given that dividend No. 8 of One and One-half Per Cent. (1½%), for quarter ending February 28th, 1921, upon the COMMON Stock of the Company, has been declared, payable to shareholders of record the fifteenth day of March, 1921, and that cheques will be mailed on March 31st next.

Books not closed.

By Order of the Board.
J. H. GORDON,
Secretary-Treasurer.

Montreal, February 22nd, 1921.

Industrial Financial Corporation
Of Canada, Limited
Suite 303-304 Webster Bldg.
53 Yonge Street, Toronto, Canada

Companies Organized for Development of Canadian Industry

Industrial, Mines, Public Utilities Stocks and Bonds bought and sold.

No proposal too small for courteous and prompt attention. None too large for our facilities.

Your business respectfully solicited

Oils, Industrial, Mining *and* Curb Securities

are covered most thoroughly and comprehensively in the

STONEHAM WEEKLY MARKET LETTER

which has been issued every Friday since 1903.

Write for copy.

Chas. A. Stoneham & Co.
Established 1903
Stock Brokers
23 Melinda St., Toronto, Ont.

BANK STOCK CHANGES

	Last	Sale	
	Feb. 23	Mar. 2	Ch'ge
Commerce	188	189	+ 1
Dominion	200	199¾	— ¼
Hamilton	180½	180	— ½
Hochelaga	156	156	....
Imperial	187	187	....
Merchants	175	174½	— ½
Molsons	180	180	....
Montreal	208	207½	— ½
Nova Scotia	260	260	....
Royal	200¼	201	+ ¾
Standard	200	201	+ 1
Union	157	157	....

STANDARD

The Standard Bank have purchased a site at stop 15, Lake Shore Road, on which they intend to erect a substantial building during the spring.

NEWS AND VIEWS FOR MANAGERS

INSURE AGAINST CHEQUE FORGING OR ANY ALTERATION

New Form of Insurance Policy to be Issued in Canada

ABOUT $5 PER 1,000

Cost of Protection Provided—Three Types of Clauses in Policy—Bonds Against Crooks

By Resident Representative.

MONTREAL. — The raising of cheques in a rather scientific manner that makes detection difficult has been brought home to several Canadian banks recently. In one case the prospective cheque-raiser opened an account at a Montreal bank, and had earnest conversations, with an assumption of innocent ignorance, as to procedure in having the cheques made negotiable through "acceptance." He repeated this conversation with second teller, and ended up with getting two cheques "accepted" for small amounts approximating to the total of his account. His next step, with the "accepted" stamped on the cheques, was to raise both, and these were cashed in due time.

Up to the present time devices for protection against the "lifting" of cheques have not proved entirely satisfactory: ingenuity on the part of the crook in most cases has followed in the wake of the initial ingenuity on the part of the inventor of the device. It is interesting to note that a new branch of insurance will shortly be offered in Canada in the form of a policy that protects against loss through the alteration of a cheque. This does not apply to the bank itself, but to the ordinary business man. These policies protect the insured not only against losses caused by the felonious alteration of the amounts, dates, numbers or names of the payee of any cheque or draft, but also against all losses to the assured on account of the forgery of the name of the assured as maker or endorser of the cheque.

The policies as they will be written by the United States Fidelity and Guarantee Company through their Canadian offices will apply separately to each office of the firm that is insured, and the amount of insurance must be specified for the head office and each branch by itself. It is understood that the premium payable will run on the average about $5 per $1,000 of protection per annum, with a rebate for a policy covering a three-year period. This system is being developed in the United States and the official figures will prove a novel feature of the 1920 report for that country, the insuring clauses covering the following cases:

(a) Of any check or draft where the signature of the assured has been forged.

(b) Of any check or draft issued by the assured on the back of which the name of the payee or of any other endorser is forged.

(c) Of any check or draft drawn by the assured which has been feloniously altered as to the amount, date, number or name of the payee.

Among the conditions imposed on the insured is one providing that the company shall not be liable under insuring clause C for any such loss unless such cheque or draft is drawn in ink either by hand or on the typewriter or cheque-writer and signed in ink in the customary manner by the person or persons whose signature or signatures the bank has been instructed by the assured to recognize.

Another condition covers cases where ordinary fidelity insurance is considered to cover the case in point: "The company shall not be liable for any loss if the assured be a partnership if any partner of the assured is implicated as principal or accessory, or if the assured be a corporation, through the collusion of any officer of such corporation, nor in any event shall the company be liable if any collusion exists with any officer or employee of any such bank."

Another provides for the principle of co-insurance: "If the assured holds any other policy, bond or security against any loss covered by this bond, in the event of a loss being sustained the company shall be liable for only such proportion thereof as the amount of this policy bears to the total sum of all policies, bonds or securities, including this policy, which the assured may hold."

The working out of an "experience" table in the present instance is naturally a difficult matter as the form of policy has been in existence for such a short time. In some cases the losses have exceeded the premiums during the brief period of operation; in other instances, it is reported that the "premium volume has been more than sufficient to take care of the losses."

COMMERCE

C. W. Cochlan, manager of the Carmangay branch of the Canadian Bank of Commerce, has been transferred to the branch at Taber.

W. R. Henderson, of the Jasper Avenue, Edmonton, branch, has been transferred to the Carmangay branch.

HAMILTON

G. A. Middleton has been appointed manager of the Enchant, Alta., branch of the Bank of Hamilton, succeeding D. Towers.

O. N. Johnstone, manager of the Taber branch, has been transferred to the inspection department of the bank at Winnipeg.

ROYAL

F. T. Palfrey of the inspection department of the Royal Bank at Halifax, has been transferred to the Charlottetown branch as acting manager.

C. H. Palfrey, of the supervisor's office of the Royal Bank at Halifax, has been appointed acting manager of the Dorchester branch during the absence-on-leave of A. V. Smith.

KINGSTON CLEARING HOUSE

A clearing house for the seven banks of Kingston has been opened. Two rooms in the basement of the City Building in the southern section with entrance from Ontario street, have been fitted up for this purpose. The new organization, which will be known as the "Kingston Bankers' Clearing House," has elected the following bankers as its officers: Chairman, H. A. Tofield; vice-chairman, R. T. Brymner; secretary-treasurer, George Brownlee; manager, W. B. Browne; executive, Philip Dumoulin, J. F. Rowland and A. N. Lyster.

CONDITIONS IN CUBA MUCH IMPROVED

H. A. Richardson Reports—Better Relations With Jamaica Wanted

That there should be closer trade relations between Canada and Jamaica is the opinion of H. A. Richardson, general manager of the Bank of Nova Scotia and vice-president of the Canadian Bankers' Association, who has just returned from a visit to the island. He advocates steamship connections which will provide adequate passenger and freight transportation facilities. Mr. Richardson also visited Cuba and reports an improvement in conditions there. He states:

"Of course, business generally has been in a very depressed state since the collapse in sugar six months ago. It is only necessary to exercise the imagination to realize that a transition from the speculation and extravagance growing out of 23c sugar to the recent price of 3¾c might naturally produce consternation. However, the worst is over, and a much better feeling prevails all round. It was even thought by some when we left Havana that one or two of the local banks now in suspension might be resuscitated. In any event, there is no doubt whatever that Cuba's great natural resources will gradually restore her prosperity.

"A country that takes as much new wealth out of the soil annually as Cuba does, and whose exports so largely exceed its imports, need not prolong much worry. It is true that political conditions are not altogether satisfactory, but they will be corrected, and the commission for marketing this year's sugar crop has already been effective in stabilizing prices and creating a more hopeful outlook. The crop is expected to be about 3,000,000 tons, increased somewhat provided the price of sugar warrants cutting the cane."

NEW FINANCING FOR BROMPTON PULP

Shareholders Asked to Approve Issue of $3,000,000 Bonds

Plans for the new financing for the Brompton Pulp & Paper Company were discussed at a directors' meeting in Montreal this week. At the conclusion the only information given out by the board was to the effect that a special meeting of shareholders would be called immediately to approve of the proposal of the directors to issue $3,000,000 par value of bonds of the company. The date of the meeting, it was stated, had not as yet been determined, while the other details of the proposed issue concerning interest rate, term, and general character of the bonds were withheld for the present.

The announcement had been anticipated in stock markets circles for some time, although a limit of $2,500,000 had been generally placed on the extent of the new financing, so that the decision to issue $3,000,000 will cause some surprise.

SERVICE CHARGES IN RELATION TO PUBLIC MIND

Continued from page 1

cities are described as "poor and slow."

The volume of unemployment does not as yet show any signs of diminishing. Government reports on conditions in a number of countries show that the position of Canadian labor is the more favorable. Conservative estimates place the number of unemployed in the United States at 3,000,000 or 2.7 per cent. of the total population; for Great Britain, 1,060,000 or 2.3 per cent., and for Canada, 62,500 or .8 per cent. The favored position of Canada in this respect is due largely to the fact that farm labor is not affected during a period of hard times to the same degree as are factory workers, and the manufacturing industries in the United States and Great Britain are, of course, more highly developed than in this country and give employment to a larger percentage of workmen.

ADVISED TO SELL VICTORY BONDS TO BUY BANK STOCK

Continued from page 1

culture the demand for loans is strong at one season while deposits are heavy at another. Provincial Treasurer Mitchell of Alberta and Provincial Treasurer Dunning of Saskatchewan have both appreciated this situation to the extent that they will not recommend provincial banking systems such as has proved such a doubtful success in Manitoba. In fact Mr. Dunning has given up his idea of securing funds for rural credits in the West; his experience has been that there are three would-be borrowers for one who will put money into the scheme.

AMERICAN SALES BOOK COMPANY, LIMITED

Report of the Directors

to the Shareholders for the year ended December 31st, 1920

The Directors present herewith their Report showing the results of the Company's operations for the year ended December 31st, 1920, with the accompanying Statement of Assets and Liabilities, as follows:

Balance bought forward from 1919		$270,851.83	
United States Federal Taxes on 1919 Earnings paid in 1920		22,146.72	
		$248,705.11	
Profits for the year		602,679.08	
			$851,384.19
The Appropriations were as follows:			
Interest on Bonds		$ 28,921.50	
Transferred to Reserve for Depreciation		130,658.73	
In Reduction of Patents Account		50,000.00	
Dividends paid on Preference Stock:			
Four quarterly Dividends at rate of 7% per annum	$215,131.00		
On Account of arrears of dividends 3½%.	107,565.50		
		322,696.50	
			532,276.73
Balance carried forward			$319,107.46

The profits for the year are the best in the Company's history and exceed by $175,441.27 those of 1919.

The inventories have been written down to correspond with present market prices, the shrinkage having been charged off in the year's operations.

The Profit and Loss balance is subject to deduction of United States Federal taxes, the amount of which cannot be accurately determined at this time.

The regular quarterly dividends at the rate of 7% per annum, and in addition, two quarters of arrears of dividends, were paid on the Preference shares during the year. It is hoped that it will be possible to make a similar distribution during 1921. The arrears of dividends are now 8¾%.

Although a falling off in business was experienced during the last quarter, the prospects are encouraging for a gradual return to normal volume during 1921.

By order of the Board,
S. J. MOORE,
President.

Balance Sheet, December 31st, 1920

ASSETS

Real Estate and Buildings	$ 382,568.89	
Plant, Machinery and Equipment	1,256,586.74	
Investment in Other Companies (As valued by the Company's officers and not exceeding cost)	180,500.00	
Patents and Goodwill	2,474,563.05	
		$4,294,218.68
Merchandise	$ 654,208.57	
Prepaid Charges	33,309.88	
Accounts and Bills Receivable	582,367.13	
Cash at Bank and on hand	66,431.74	
		1,336,317.32
		$5,630,536.00

LIABILITIES

CAPITAL STOCK:			
Preference Stock	$3,073,300.00		
Common Stock	614,660.00		
		$3,687,960.00	
First Mortgage 6% Bonds, due 1927.	$ 750,000.00		
Less Sinking Fund and Bonds on hand	284,048.83		
	$ 465,951.17		
Accrued Interest on above	7,246.50		
		473,197.67	
			$4,161,157.67
Accounts and Bills Payable			407,315.01
Reserve for Depreciation on Buildings, Plant and Machinery		$ 709,731.78	
Other Reserves		33,224.08	
Profit and Loss Account Balance (Subject to U.S. Federal Taxes on 1920 Profits)		319,107.46	
			1,062,063.32
			$5,630,536.00

AUDITORS' CERTIFICATE.

We have audited the accounts of the American Sales Book Company, Limited, for the year ending 31st December, 1920, and we certify that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs according to the best of our information and the explanations given us and as shown by the books of the Company.

We have received all the information and the explanations we have required.

CLARKSON, GORDON & DILWORTH.
Chartered Accountants.

At the Eighth Annual General Meeting of the Company, held in Toronto on March 1st, 1921, the following Board of Directors and Officers were elected for the ensuing year: S. J. Moore, President; W. D. Van Horn, Vice-President; A. M. Bovier, Treasurer and General Manager; A. E. Ames, Charles G. Brand, Charles W. Colby, Ph.D., Frank A. Deans, Hon. Holland S. Duell, Hon. W. Caryl Ely, Wm. O'Connor, George Weston, and Chauncey W. Crofoot was appointed Secretary.

A LIFE INSURANCE POLICY
IN THE
ONTARIO EQUITABLE
will give you
TWICE THE SUM INSURED IN EVENT OF DEATH BY ACCIDENT

LOW PREMIUM RATES — SPECIAL FEATURES

M. P. LANGSTAFF, A.I.A., F.A.S.,
Assistant Manager & Actuary.

S. C. TWEED,
President & Managing Director.

Head Office - WATERLOO, ONT.

1920 BIGGER THAN EVER

The Northwestern Life Assurance Company

ANNUAL REPORT

For Year Ending December 31, 1920

EXTRACTS FROM DIRECTORS' REPORT

NEW BUSINESS—Applications received amounted to $1,860,350.00. The Policies actually issued totalled $1,505,000.00.

ASSETS—The Cash Assets of the Company show an increase of $171,747.35 and now amount to $602,101.47. Assets of all kinds show an increase of $64,004.57, and now amount to $647,382.69.

LIABILITIES—Liabilities to the Public amount to $485,857.25, an increase of only $47,136.34 as against the large comparative increase shown above.

INVESTMENTS—Now amount to $537,305.14, an increase of $166,119.08.

INCOME AND EXPENSES—The Company's Income as per Revenue Account amounted to $155,243.97, while expenditure was only $82,732.01, showing a surplus over expenditure of $72,511.96.

MORTALITY—Death Claims were again extremely light, amounting to $3,781.40, only 15 per cent. of the expected.

RESERVES—Our reserves for the protection of Policy Holders are still on the highest basis of any Canadian Company. These now amount to $230,756.75, being considerably greater than the reserves required by the Dominion Government.

TOTAL RESOURCES—Amount to $1,522,382.69, an increase of $64,004.57.

J. F. C. MENLOVE, Pres.; H. R. S. McCABE, Man. Dir.; F. O. MABER, Sec.

Financial Statement

JANUARY 1, 1920, TO DECEMBER 31, 1920

REVENUE

Total Revenue	$155,243.97
	$155,243.97

EXPENDITURE

Total ordinary expenditure		$ 82,732.01
Death Claims	$3,781.40	
Surrendered Policies	426.35	4,207.75
Surplus of Revenue over all Expenditure		68,304.21
		$155,243.97

ASSETS

Cash on hand	$ 1,616.88
Investment Securities:	
Dominion of Canada War Loan Bonds	319,300.00
Municipal and other Bonds and Debentures	27,311.43
Interest to Dec. 31	3,340.30
Mortgages and interest unpaid thereon	116,894.93
Policy Loans	1,753.22
Premiums outstanding, less commissions	24,454.13
Accounts Receivable, Agents' Balances and other Assets	33,628.83
Home Office Building and equipment	73,801.75
	$602,101.47

LIABILITIES

Reserves		$230,756.75
Death Claim Pending		131.40
Victory Bond Account		250,000.00
Investment Account		2,360.73
Premiums Prepaid		1,798.18
Dividends unpaid		351.20
Other liabilities		458.99
Total liabilities to the public		$485,857.25
Surplus to the public		115,514.22
Surplus above	$115,514.22	
Capital stock paid	98,848.48	
Shareholders' surplus	$ 16,665.74	
		$602,101.47

Certified Correct, W. G. SANBURN & CO., Chartered Accountants.

Comparative Statement

	1917	1918	1919	1920
Business in Force	$535,350.00	$1,212,300.00	$1,874,994.00	$3,179,968.00
Total Assets	216,134.95	398,946.02	583,378.12	647,382.69
Total Investments	184,588.95	297,325.27	371,186.06	537,305.14
Policy Reserves	23,935.00	72,351.00	147,183.00	230,756.75

Total Resources Now Amount to $1,522,382.69

The NORTHWESTERN LIFE ASSURANCE COMPANY
NORTHWESTERN BUILDING
WINNIPEG CANADA
J.F.C. MENLOVE PRES.
H.R.S. McCABE MGR. DIR.
F.O. MABER SEC-TREAS.

The coming Referendum

Vote and Vote "Yes!" on April 18

THE Ontario Temperance Act as a war-time measure was an unqualified success.

On October 25, 1919, the people of Ontario voted by an overwhelming majority in favor of the permanent continuance of the Ontario Temperance Act, prohibiting the sale of intoxicating beverages.

The "Bootlegger" Must Go

On December 31, 1919, came the repeal of the Federal Order-in-Council—which was also a war-time measure—prohibiting importation, manufacture and export of intoxicating beverages.

Thus it became possible for individuals in prohibition provinces to import liquors for consumption in the home; thus the "bootlegger" is able to offer the same for sale contrary to law, and thus the expressed will of the people in this province is being defeated.

Importation Must Cease

Everything that applied in the last vote against the sale of intoxicating beverages within this province applies equally to the *Use of them*, and their *Importation* for beverage purposes should also be prohibited.

Hence arose necessity for further legislation and another Referendum.

Shall the Importation and the bringing of intoxicating Liquors into the Province be Prohibited? YES!

17

Ontario Referendum Committee

THE FINANCIAL POST

Members of the Audit Bureau of Circulation.

President - - - JOHN BAYNE MACLEAN
Vice-President - - - - HORACE T. HUNTER
Manager - - - - - GORDON RUTLEDGE
Editor - - - - - - - J. W. TYSON

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TORONTO, MARCH 4TH, 1921

CANADA'S MEAT AND CATTLE MARKETS

WILL it be to the future advantage of Canada to supply the meat market or the cattle market of Great Britain? That is the question which should have prime consideration in the controversy on the embargo against Canadian livestock. And it may be pointed out again, as it has been previously by THE FINANCIAL POST, that Sir Charles Tupper, when High Commissioner in England, was convinced that the restrictions worked to the advantage rather than the disadvantage of Canada. To supply meat to Britain means that the fattening will be done on this side of the ocean, that Canadian feed products will be used for the purpose, that Canadian labor and Canadian capital will be profitably employed in the packing industry and that shipping problems will be simplified.

Admitting that there would seem to be a moral injustice to Canada in the British embargo and the inference that it is because Canadian cattle are diseased, there is another point to consider. If the restriction is lifted in the case of Canada and maintained in the case of the United States, there will undoubtedly be a resumption of the three months' quarantine against Canadian cattle which was formerly employed or an advance in the protective tariff to keep Canadian cattle out of the market to the South. And the American market is an increasingly important market for Canadian cattle, particularly range stock of the Western prairies.

To develop a meat market in Great Britain and a cattle market in the United States would seem to have advantages for Canada as a whole as compared with gaining doubtful concessions in one direction at the possible expense of material advantages in the other.

PUBLIC ATTITUDE EAST AND WEST

THE silver anniversary of the establishment of Stanfields, Limited, in the town of Truro, N.S., has been celebrated by the tendering of a municipal banquet to the company. This evidence of mutual understanding and appreciation between a big industrial concern and the people of the community is worthy of more than passing attention.

THE FINANCIAL POST has always contended that the great majority of the people are fair to the manufacturers when they have a reasonable understanding of their problems and of the big part they play in the prosperity of the country. In many other towns and cities of the East—where the socalistic and red elements have not been able to gain a broad influence by their insidious methods of miseducation—there is that appreciation of the manufacturing concerns shown by this event in Truro.

On the other hand we find in Western Canada, where the people have no opportunity of knowing of the important part manufacturing plays in national prosperity and where self-interested politicians take advantage of the situation to foster prejudice and discontent, statements are spread broadcast that the "big interests have both hands in the national treasury all the time" and that when you "buy things under the tariff you pay 30 to 40 per cent. more than they are worth." (These statements are credited to R. W. E. Burnaby, president of the Canadian Council of Agriculture, in a report from the Regina representative of THE FINANCIAL POST).

Aside from again emphasizing the necessity for the manufacturers to create public goodwill by keeping their case fairly and squarely before the people, the Truro incident pointedly shows the benefits of properly understanding and catering to the public. That there are some few who do not do so and who look for big profits in a few months instead of a fair return over a period of twenty-five or more years is a second factor in the unpopularity of the manufacturers to-day in Western Canada and with the agricultural element generally.

DOES GRAIN EXCHANGE "ROB" THE FARMER

THERE is undoubtedly a widely held opinion on the part of the farmer that the grain exchange is designed to rob him of a share of his profits and put the money into the pocket of the speculator. The theory is that the farmer cannot afford to hold his wheat and that the speculator can—the speculator thereby making what rightly belongs to the grain grower, by selling in June or July what the farmer has to market in the previous September or October.

Apart from the fact that the speculator performs a sound economic service in providing the capital which finances the grain from the time the farmer gets his money until it is paid for by the consumer, and is, therefore, entitled to a return on his investment, experience proves that the risk taken is a real one. In fact the Wall Street Journal has estimated that taking the past seven years the farmer who sold as soon as his crop was harvested made the most money. Last year, however, the farmer held back his crop to verify his false assumption that he would thus get a higher price with the result of experiencing a loss which wipes out the memory of the good years that preceded it. The Journal points out:—

> The farmer would have lost money between October 1913, and June, 1914, after paying carrying charges. He would have done well in 1914-15 and have made a substantial profit in 1916-17, coming out even in 1915-16, losing money in 1917-18 and in 1918-19, and making some of it back in 1919-20. If he had bought the farmer's wheat at the average of October-November last year, he would be facing a loss sufficient to wipe out all he had made in the good years and to double the losses he had made in the bad ones.

Working on the farmer's assumption that he is "robbed" American congressmen are gratifying him by attacking the grain exchange and there is likewise an agitation to change the system of marketing wheat in Western Canada. If this Western movement is backed by an honest desire to improve machinery and reduce the cost of handling wheat as between the grain grower and the consumer to the benefit of both something may possibly be accomplished. But it should not be forgotten that the present system has been born of many years of practical experience, that the big profits of the speculator are largely a myth and that certain political leaders are seizing upon any pretext to foster Western discontent with existing conditions and institutions.

LET THE SHAREHOLDER KNOW

SO many rumors have been flying around to explain the passing of the common dividend of Canada Steamship Lines that THE FINANCIAL POST is pleased to be assured by an "insider" that the shareholders will receive explanations covering several transactions at the annual meeting. This should clear the air in many respects. It is only fair to the shareholders that such information should be imparted to them; it is only fair that undeserved blame, it may be, should be removed from the shoulders of the directors. The annual meetings of most corporations are so devoid of any tangible results so far as the shareholders are concerned that they are little more than a farce.

THEY DARE TO CRITICIZE

THE poor showing for Hydro radials which has been made before the Sutherland Commission is beginning to arouse the concern of the Beck champions. The Toronto Globe raises sinister insinuations that the big transportation interests are working in the background. But with the C.N.R. and the G.T.R. owned by the people the significance of this—even were it true— would not seem so difficult to interpret; none should better understand the weaknesses of the Beck proposals than the transportation experts of the existing railroads.

As a matter of fact the criticism of the Hydro scheme has been made largely by witnesses summoned by R. S. Robertson, who is acting for those municipalities that do not benefit from the millions invested in Hydro power and would not benefit from the further millions to be invested in Hydro radials, but which see the resources of the province being utilized without benefit to them while they share the responsibilties for the provincial guarantees under which these schemes are made financially possible.

Evidently the Globe and the other Beck newspapers desire only evidence favorable to the Hydro—and that is confirmed by the reports of the proceedings which they give to the public.

EDITORIAL NOTES

THAT FOR the men of large incomes the "income tax rate in Canada is particularly severe" is the opinion of the Insurance and Financial Chronicle, New York.

* * *

FREE speech in Canada is beginning to mean freedom to preach sedition while those who uphold the government, the nation and the Empire are howled down by reds and radicals.

* * *

JOHN D. ROCKEFELLER last year paid taxes of $13,000,000 to $14,000,000 on his personal income — which would seem to indicate that millionaires are not without their uses to society.

* * *

THE U.S. State Department announces that according to reports in Soviet Russian newspapers, the fuel famine has become so acute that all traffic has been suspended on 19 principal railroad lines in Russia and 12 secondary lines, making a total of 31 railroads over which no trains are moving except in cases of emergency.

* * *

REPRESENTATIVES of the Labor Party in Ontario have taken a wise course in refusing to be pandered to by politicians who would exempt owners of small properties from paying their tax fees on transfers under the new taxation legislation.

* * *

"HAD WE not been handicapped by moratorium legislation which still obtains many of those troubles that have beset the mortgage and trust companies during the past six years of trial and change would not have befallen us," declared Vice-President Wm. Harvey at the annual meeting of the Standard Trusts Company.

* * *

"I NEVER had a chance to make money" is the insidious introduction of an investment letter from an American firm dealing in oil and mining stocks. This will appeal to a lot of people but it is a poor argument to induce them to take a long gamble with what they have got. There is a good chance for all careful investors to win; only a few gamblers can come out ahead. These are the laws of the game.

* * *

THE DAIRYMEN'S League of Utica, N.Y., has recommended to its members a reduction of one cent a quart on milk prices in order to increase sales so as to absorb supplies which have been going to milk products plants now closed down. If this relationship between producer and consumer was more generally appreciated there would be less industrial disturbance and unemployment than now prevails.

The Business of Making Colonists of Immigrants

Soldier Settlement Organization Might Well Be Widened Into a Great Colonization Agency for Canada

By AGNES C. LAUT.

There is a difference between an immigrant and a colonist, as Canada has learned to her cost.

An immigrant isn't a colonist. He is only a possible colonist; and it is colonists, stickers, stayers Canada wants to swell production of mine, factory, farm.

An English woman came out to Canada during the war anxious to get a position as housekeeper to learn the ropes as to wheat farming and study prospects, so she could report to her brothers and father, who did not wish to give up their positions in the home land and burn their ships behind them till they were sure. She had some slight money to invest. Chiefly because she did not know how to go about it in a new land—I should infer—or because she did not take in who was what, she stumbled into the position of chambermaid in one of the types of frontier hotels, where commercial gentlemen chuck chambermaids under the chin. She was an immigrant and a good one, but not yet a colonist. She advertised for a position. Again because she did not know where or how to advertise for a position as housekeeper, she got back only one answer, and that from a drunken bachelor farmer, who explained he had only one room in the house, but he would put a curtain across and it would be all right. This touched her sense of humor of which she had an abundance and she posted the answer back to her people.

Result—an immediate cable to come home.

She was an immigrant and wanted to become a colonist but she was lost to Canada because certain pro-imperialistic orders in Canada were so busy saying they "didn't like Americans," that they hadn't time to look after just such imperial newcomers as she represented.

"We Won The War"

An American family came up and homesteaded and bought 640 acres—the father and sons taking what they could as homesteads and buying adjoining quarter sections to make up the 640 acres. They were immigrants, but they were not yet colonists. They had money enough to leave if they wanted to. They prospered, were good farmers and had big crops. They saw their land increase in value from $14 to $60 in eight years.

Came the war. Canadians were sore over the Americans being so slow about going in. Came the end of the war. Canadians were still sorer over that obnoxious phrase—first coined by a Canadian in an American publication—"We won the war."

Bitter things were felt and said. The man's sons and grandsons at the country school had that phrase rubbed into them with vinegar and salt. Certain organizations had foolishly and thoughtlessly and heedless of international reaction on England's policy of holding American friendship actually suggested—I am glad to record it never went beyond a suggestion—that only Canadians born should belong to an influential local social club. The Americans were going to form a local American Club such as we have Canadian Clubs and St. Andrew Societies and St. George Societies in the United States. They sensed the atmosphere of that little place as not liking the idea of an American Club. They got the idea — whether correct or erroneous—that the bank manager, the board of trade and the rest might not like an American Club formed. They were immigrants but they were not yet colonists. They could sell their land at $60, or let it lie fallow and increase in value. They left and went back to the United States.

Any one of the imperial societies in that community could have done more for Canada and infinitely more for imperial interests by encouraging those Americans to remain, by helping them to form American Clubs, than by letting them go back to the United States with a false idea that Canadians do not like Americans.

Making Workers Contented

There was a certain coal mine in Alberta that had never in all its phenomenal history had a labor strike. They had avoided labor troubles by the simple expedient of always employing married men and so avoiding the floater and drifter element in labor, which is the centre of most of the trouble. They then anchored the married man down to their jobs by paying highest wages and selling them little homesteads at the least possible figure and providing them facilities for buying little ready-made cottage homes on the instalment plan. Came greater demands for coal than the mine could supply and the management was compelled to hire the unmarried floaters here to-day and away to-morrow. In the rush season, the mine would take on 200 or 300 floaters. To transform these immigrants from every country on the globe into colonists, the mine looked about for means of anchoring these drifters down to a permanent all-the-year round staff. This could be done in two ways—if the coal dealers of the West would build storage sheds and take a regular pro rata supply of coal straight through the slack season till autumn and winter demands came with a rush; or some organization—like the Grain Growers, or the big religious orders, or the big industrial plants—would build storage sheds and take a regular supply during the slack season when cars were available.

Such a system would save double shovelling at the mines—for the coal could be placed directly in the cars. That would be a saving of 80 cents a ton x 2, or $1.60 a ton. Then at the other end, it would save at least 80 cents—the unloading of cars faster than consumers can haul away. It would have saved at least $2.40 a ton on coal to consumers. Under this system that mine could easily turn out 1,000 tons a day—money saved to consumers $2,500. Up to the present, that mine has been unable to get its system across. The floaters come in the rush season and disperse in the slack season. They are immigrants but they are lost to Canada as colonists because in the slack season they disperse back to the United States, to the Balkans, to Russia, to Wales, to England. And the floaters are always the hotbeds of disorder. They are locally known as the he-camps.

If the public money spent on commissions to settle labor troubles had built such storage sheds in communities wherever farmers drive in with wheat to exchange for coal, the coal output of Alberta could be trebled and quadrupled; and the returns from coal to Alberta could be quintupled; for any excess production could go out to South America for bunkering purposes at $36 to $37 a ton.

Wrongly Located

Or take another case—I saw this one myself. A young Scotchman drifted in to a soldier settlement office. He was not a soldier. He was an immigrant, who wanted to become a colonist. Not being a soldier, the Soldier Settlement Board could not guide and direct him. They referred him to the Dominion Land Office. The Dominion Land Office gave him the map of homesteads still open to preemption. The maps didn't show which quarter sections were land and which were sand, which were loam and which were burnt over clay on which a farmer might as well try to farm as on a cement floor. In prehistoric fires, the humus has been burnt completely out of the soil. You will find such spots everywhere amid the best of land, across a line as clearly marked as if by chalk; but the man didn't know the signs. He only knew he was spending his slender savings and not getting properly located. He drifted from the Dominion Lands Office across to private dealers, who had a lot of poor stuff to unload. The rest of the story, I don't know; but I do know I saw newcomers wrongly located on poor lands, who will be starved off in a few years, but who, if they had been rightly located, would make good in a couple of years.

The question is—has Canada no mechanism, no local organizations, to take hold of these new-comers, who are immigrants but not yet colonists, to anchor them down as permanent settlers? In the Soldier Settlement Board devised by Premier Meighen and Dr. Black, she has, if it can be expanded to a broader national scope. Each district superintendent knows the quality of every foot of land in his area. Each farm inspector knows the title of every quarter section in his territory. Each office has its woman helpers for just such cases as the English girl, who wanted to stay and went back. In a few years, two at the most, all the soldiers who want to locate on land will have done so. The duties of the local offices will then resolve into a collecting and inspecting land office. Why not widen the scope into a great national colonizing agency?

Kansas State's Court of Industrial Relations rules that without its consent, flour mills may not be shut down and where permits for shut down were granted, employers must continue to pay wages of employees or provide them other employment.

PERSONALS

COL. D. H. MacLAREN, of Barrie, who has been elected as a director of the Chartered Trust and Executor Company will fill the vacancy on the board caused by the death of the late Sir William Gage.

ANDREW LESLIE, formerly city clerk of Saskatoon, has been appointed city commissioner, succeeding Christopher J. Yorath, who has accepted a post at Edmonton. Mr. Leslie has had a long and varied experience in municipal affairs in Saskatoon.

JAMES CARRUTHERS, a prominent Winnipeg business man, has been elected to the presidency of the Western Life Assurance Company. Mr. Carruthers is the founder of the Crescent Creamery Company, with which firm he was connected until recently, when he joined the City Dairy Co., as manager. He is also president of the Financial Investments, Ltd., and a director of the Union Casualty Co., and the Great West Electric.

CURRENT OPINION

THE "COUNCIL OF AGRICULTURE"

Farm and Ranch Review

Mr. Norman Lambert, secretary of the "Council of Agriculture," delivered a speech at the Edmonton convention upon the work and activities of that body in which he took occasion to refer to our recent criticism upon its organization. We stated in substance that it was not a representative body, and carefully explained the basis of our criticism. We backed it up with facts and figures that have not been disputed so far. Of course, we did not expect the "Guide" to meet our criticism with fair and lucid argument. Its reply, brief and to the point, was: "You are a liar," which, while quite typical, unfortunately, does not add very much to the controversy.

For Mr. Lambert's special benefit we might state that we have not so far criticized the work of the Council, nor have we called into question his own activities in its behalf. Our position merely is that this body suffers under a terrible handicap in being organized along the lines of a close corporation instead of being, as it ought to be, thoroughly representative of the agrarian interests of Canada. It cannot function properly until it is removed from bureaucratic control. It is up to the farmers themselves to "clean house" and take charge.

RURAL CREDIT ASSOCIATIONS

Toronto World

The special committee appointed by the provincial government last year on rural credits has brought in a report comprehensive in its character, but scarcely sufficient in its deductions to warrant the provincial government going ahead with the proposition without the most careful kind of consideration. In dealing with the question of extending credit to the farming industries, research has been had into the movement in Ireland, in France and in the United States and other countries, but the only one which seems really applicable to Ontario is that of Manitoba. The report does not make it clear that the experience of Manitoba has been the greatest kind of success, and the money squeeze last year tied up this organization to some extent.

There is, of course, a total difference between Canada and other countries which has to be considered. In the United States, for instance, there is no provision for the branch bank system such as exists in Canada, and this has brought about measures in the rural districts which have resulted in disaster rather than benefit to the farming community. In Dakota small rural banks to the number of upwards of two hundred have become seriously involved. It is a simple matter for banks or credit associations to take deposits and invest them on long-time notes or mortgages, but it is not so easy to pay out deposits should an unexpected demand present itself, and this is just what has occurred in Dakota.

The World is favorable to extending to the farming community the greatest measure of credit possible, but the depositors must be protected, and in the formation of any organization of this kind men of absolute integrity must be secured if the institutions are to be a success.

THE WILDERNESS IS SHRINKING

The Beaver

"Fly to Fort Norman," is the bold headline of a startling advertisement in Western newspapers, ". . . in absolute safety and comfort; flying time about eight hours each way," continues this epochal announcement.

Commercial enterprise has brought the air-boat to its aid in penetrating the fastnesses of the Northland where, reports say, oil will soon be gushing. But yesterday, this thousand-mile journey from McMurray down toward the Arctic Ocean was achieved only by toilsome weeks of tedious travel. What must the astonishment of leather-[illegible] rivermen be to view these winged canoes darting from civilization to Norman almost "between meals." How that great wilderness shrinks and becomes smaller? The terror and loneliness of it, the hardships of it begin already to pass away.

There are men living who labored over Chillkoot and spent months on the ghastly Klondike trail, and they must marvel at the advantages given by science and invention to the prospectors of 1921.

AN ALBERTA DIRECTORY

A valuable addition to the literature descriptive of the industries and resources of the Province of Alberta has been made by Wrigley Directories, Limited, in the new Wrigley's Alberta Directory, recently issued. This book is a comprehensive publication, and deals intimately with every phase of the activities and potentialities of the province. There is a careful survey of each town and city in the province in addition and a valuable directory of the business interests of the various commercial centres is subjoined.

Wages must be reduced on American ships or vessels will be tied up and a great number of men unemployed, says Admiral Benson, commenting on opposition of marine unions to wage revisions May 1.

The Investor's Accumulation Period

The chief characteristic of the present investment market is the immediate absorption of all the highest class of investment offerings at the ruling rates. There is a general realization that the extraordinarily high rates now available are gradually disappearing.

The present yields, as compared with pre-war yields, are still excellent. A few comparisons will indicate the extent of the present opportunity: —

	Approximate Yield July, 1914.	Present Yield.
Province of Ontario	4.34%	6.00%
Province of Alberta	4.76%	6.10%
Province of Saskatchewan	4.71%	6.10%
Province of Quebec	4.34%	6.00%

A much similar ratio holds with all City, Town and other Municipal issues.

Such rates, as compared with pre-war yields, demonstrate how decidedly the present is the accumulation period for the far-seeing, wide-awake and shrewd investor.

Copy of the new investment list, giving a wide range of Government and Municipal issues, forwarded on request.

A. E. AMES & CO.

Investment Securities

UNION BANK BLDG. - - - - - TORONTO
TRANSPORTATION BLDG. - - MONTREAL
74 BROADWAY - - - - - - - NEW YORK
BELMONT HOUSE - - - - VICTORIA, B.C.
HARRIS TRUST BLDG. - - - - CHICAGO

Established 1889

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

BAWDEN MACHINE

L. M. C., St. Louis.—We would be glad to have any information you may have on hand regarding the Bawden Machine Company.

Inquiries concerning the Bawden Machine Company lead to the conclusion that this firm is well established and is conducting a successful business. According to the latest financial statement available assets totalled $761,704 against liabilities amounting to $138,000, represented by bank overdrafts, bills payable and mortgages. It is reported that the banks have extended accommodations for their requirements. The company recently enlarged its plant and is at present erecting a new building. The plant and buildings are of modern construction. Those identified with the control of the firm are well regarded in business circles here.

Italian Money

H. C., British Columbia.—Would you please give me your idea of the best way of buying Italian money or bonds, and if you think they are a good safe buy owing to the low rate of exchange.

The purchase of Italian money or bonds is little more than a gamble at the present time. Not only is the future of international exchange very uncertain, but in many cases it is not assured that all the obligations of the European governments will be met at maturity.

If you are in a position though to take a flyer in foreign exchange and want to speculate in lira, the best thing you could buy would be Italian bonds, as you would have a certain income from the investment while waiting for exchange to improve, that you would not have if you bought lira alone.

There are a number of investment houses and brokers in Canada who will purchase Italian bonds for you.

B. C. FISHING

T. W. Brandon.—Would like information on the B. C. Fishing Company, when the last two dividends on common were paid, and how much. Have they passed their dividend, and when?

At present market prices B.C. Fishing offers a yield of more than 14 per cent. The dividends on the common at the rate of 6 per cent. have been met regularly ever since this rate was established, for the quarter ending August 20, 1919. The last quarterly disbursement was made at the rate of 1½ per cent. on February 21.

We regard this security as a fair business man's speculative investment. The company is engaged in an important Canadian industry, and we are assured that the outlook for the successful operation of this concern is fairly bright. This security has never been a popular feature, but we believe that it contains the elements for a good speculation, a high yield, with fair prospects of appreciation when market conditions are satisfactorily readjusted.

NORTHERN ONTARIO LIGHT

Enquirer, Norval.—Would you consider the 6 per cent. first mortgage bonds due 1st April, 1931, of the Northern Ontario Light and Power Company a good safe investment? They are being offered to yield 8 per cent. Why are these bonds selling so cheap? Is the interest being paid in New York funds and do you think there is much chance of the company defaulting on the principal or interest?

The Northern Ontario Light and Power Company, Ltd. has a practical monopoly of power supply in a rich area of Northern Ontario, supplies power to many of the big mines, several municipalities, etc., and with good management might have a big future before it. But on the other hand, so long as the rights of privately owned and operated public utilities in this province are respected to a lesser degree than the claims of the publicly owned utilities there is always the danger of the interests of such companies as the Northern Ontario Power being seriously menaced. That is the risk you are taking when you buy these bonds. But when offered at present prices to yield around 9 per cent., they are an attractive investment for the person who is in a position to give close attention to his holdings. Interest is paid in New York funds.

IF CANADA WERE TAKEN

A. H., Ottawa.—Would the taking of Canada by force of arms by the United States, or any foreign power, affect the holders of Victory bonds, provincial or industrial bonds, and mortgages on real estate, if so, in what way?

If the United States, or any other foreign power, were to take Canada by force of arms anything might happen. But the probability of such an occurrence is so small that your question must be treated as purely hypothetical. The answer to it would depend upon the extent of sympathy and good treatment that would be extended to us by our conquerors. If for instance the Bolshevik hordes of Russia were to obtain control over this nation they would probably abolish rights in property, and it is very unlikely that they would assume national obligations. If it were another nation that took over Canada, everything would depend upon the willingness to assume our debts.

Just now we have a situation in Europe that may help you to answer your question. Bonds of the Austrian government, to take a typical case, are hardly saleable in this country or the United States, while bonds of the city of Vienna, and bonds of large industrial institutions in Germany and Austria are sold in quite large quantities. The feeling is that while nations may be cut up, may change their governments, or may even cease to exist, cities and industries remain; for that reason where conditions are as uncertain as they are in Austria, bonds of the cities and industries are better than bonds of the nation itself.

CANADA STEAMSHIPS

A. D. C., Hamilton.—I would like to have your opinion of Canada Steamships preferred as a reasonably safe investment. I notice that the directors have passed the dividend on the common and that the preferred has suffered as a consequence, being quoted at about 66 to-day. Would you advise buying this stock now or do you anticipate further weakness?

At the present time we could not recommend you to invest in Canada Steamship Lines preferred stock. It would appear from the fact that the common dividend has been passed that working capital of the company is seriously impaired. During the past year or so the company has been buying vessels for its overseas freight trade and this business has fallen so flat that it is not paying. The immediate future of this ocean traffic is very uncertain. Moreover the company has secured during the past year the Montreal Transportation Co. at a price of $3,000,000 and a large payment in cash was made for this company. We understand the company has lost heavily in connection with the Davie Shipbuilding Co. There is a proposal to issue a general mortgage bond to cover the additional vessels that have been secured and thus to provide working capital for the company. The company is supposed to have had a very good year as far as earnings is concerned in 1920 but present indications are that there will be a very serious decline in ocean freight earnings if indeed this nets the company any profits during the present year although tourist traffic and the upper lake freight business would appear to be very promising. Under all the circumstances we feel that Canada Steamships preferred at the present moment, and until more definite information is given by the directors as to the actual position of the company, cannot be considered as a "reasonably safe" investment.

KING EDWARD CONSTRUCTION

Enquirer.—Would you kindly give me your opinion on King Edward Construction Preferred as an investment?

By an agreement entered into between the King Edward Hotel Co., Ltd., and King Edward Construction Co., Ltd., the hotel company agrees to lease for a period of thirty years the new building being erected by the Construction Company. The rental is sufficient to pay the interest on the mortgage, together with the sinking fund sufficient to wipe out the mortgage within thirty years; 8 per cent. on the preferred; 10 per cent. on the common, and in addition insurance, taxes, repairs, depreciation, etc. By this agreement the dividends on the common as well as the preferred are practically guaranteed. The 8 per cent. on the preferred is unconditionally guaranteed by the United Hotels Company of America, which operates a chain of hotels in the United States and Canada. The dividends on common and preferred are, therefore, both very strongly protected.

CONSOLIDATED MINING

A. F., Vancouver.—Would like your opinion regarding the Consolidated Mining & Smelting Company.

The Consolidated Mining & Smelting Company has been adversely affected, as you are no doubt aware, by the slump in metal prices, and this has been the chief cause of the passing of dividends. The date of the resumption of dividends will depend upon the course that these prices pursue from now on, and at the moment this is exceedingly indefinite. With operating costs on the decline it would appear that the company would soon be in a position to operate more satisfactorily despite the lower prices for its product, and for this reason it would appear that the recent action of the board of directors was but a temporary expedient. The stock of this company is non-cumulative.

MUNICIPAL DEBENTURES

Inquirer, Niagara Falls.—Can you inform me of any municipalities in Ontario that have offered their debentures locally in small denominations.

Many municipalities throughout Ontario have offered their debentures locally in small denominations. Among them we could mention St. Thomas, London, Brantford, Hamilton, Kingston, Chatham, Newmarket, Guelph, Belleville, Ingersoll, Owen Sound and Orillia.

NORTHERN PRODUCTION

G.S., Toronto.—A client of ours desires any information available with regard to the Northern Production Company, Ltd., Edmonton. Also what progress has been made by the company during the past year.

This is a concern floated by A. F. A. Coyne several years ago. It was incorporated with $4,000,000 capital to carry on an oil and gas and general development business.

The company is now practically defunct, and has been, or is about to be, struck off the register of joint stock companies. No work has been done for some time past.

Select Preferred Offerings From Canadian Market List

A reader of THE FINANCIAL POST writes as follows: "Would be glad if you would recommend some good 7 or 8 per cent. preferred stocks of Canadian enterprises, similar to Bethlehem 8 per cent. preferred or U.S. Rubber, 8 per cent. preferred in the United States." This inquiry was submitted to a number of prominent stock brokers in Toronto and Montreal, and the selections reproduced below will undoubtedly be of wide-spread interest and value. The market prices of these stocks are of course subject to fluctuation and the prices quoted in a number of instances will only be approximate. The preferred stocks recommended are as follows:

Playfair, Paterson & Co.

	Dividend	Market Price	Yield
Bell Telephone	8%	109	7.33
Can. Pacific Railway	10%	134	7.46
Mackay, com.	6%	78	7.67
Do., pref.	4%	64	6.25
Steel of Can., pref.	7%	85	7.23
Wm. A. Rogers, pref.	7%	85	8.23

Brouse, Mitchell & Co.

	Rate	Price
Can. Locomotive, pref.	7%	88
F. N. Burt, pref.	7%	107
Can. Gen. Elec., pref.	7%	101
Steel of Can., pref.	7%	93
Tuckett Tobacco, pref.	7%	86
Can. Perm. Mort. Corp.	12%	180

In connection with the Canada Permanent Mortgage Corporation shares it is pointed out that the corporation is in an exceptionally strong position, the reserves now being equal to the paid-up capital. The dividend has just been raised to 12 per cent. There is no preferred. The F. N. Burt shares may at any time be converted into common shares, par for par, the latter paying at the present time 10 per cent., the dividends on both common and preferred being payable in New York funds.

Watt & Watt

	Rate	Price
Maple Leaf, pref.	7%	99
Can. Gen. Elec., pref.	7%	100-105
Winnipeg Elec., pref.	7%	90+b'n's
Consumers' Gas	10%	140
F. N. Burt, pref.	7%	107½
Mackay, pref.	4%	64
Steel of Canada, pref.	7%	93
Ogilvie Flour Mills, pref.	7%	101
Lake of the Woods, pref.	7%	100
Can. Locomotive, pref.	7%	87
Canada Cement, pref.	7%	95
Porto Rico, pref.	7%	78

Avern, Pardoe & Co.

	Rate	Price	Yield
Maple Leaf, pref.	7%	98	7.14
Dunlop Tire, pref.	7%	92	7.61
Steel of Can., pref.	7%	93	7.53
Can. Cement, pref.	7%	93	7.53
R. Simpson Co., prf.	6%	76	7.89
Canada Bread, pref.	7%	86	8.14

Lyon & Plummer.

	Rate	Price	Yield
Can. Gen. Elec., prf.	7%	100	7.0
Maple Leaf Mill., p.	7%	98	7.1
Can. Cement, pref.	7%	93	7.5
Can. Locomotive, p.	7%	88	8.0
Prov. Paper, pref.	7%	88	8.0
Dom. Steel, pref.	6%	72	8.3
Abitibi P. & P., pref.	7%	90	7.8

Bongard, Ryerson & Co.

	Rate	Price	Yield
Can. Locomotive, p.	7%	86	8.13
Mackay, pref.	4%	64	6.25
Maple Leaf, pref.	7%	98	7.14
Porto Rico Rlys., p.	7%	75	9.33
Steel of Can., pref.	7%	93	7.52

Duncanson, How & Co.

	Rate	Price	Yield
Can. Cement, pref.	7%	93	7½
Can. Gen. Elec. pref.	7%	100	7
Mackay, p. (N.Y. fds.)	4%	64	6¼
Maple Leaf, pref.	7%	97	7¼
Pro. Paper, pref.	7%	88	8
Tucketts, pref.	7%	86	8
Can. Locomotive, p.	7%	86	8
Steel of Can., pref.	7%	93	7½

McMillan Guest & Co.

	Rate	Price	Yield
Gen. Elect., pref.	...	...	...
Maple Leaf, pref.	...	...	...
Penmans, pref.	...		
Porto Rico, pref.	...	...	...
Shredded Wheat, p.	...	...	...
Steel of Can., pref.	...	...	...
Tucketts Tob., pref.	...	...	...

Heron & Co.

	Pres. Divid. Rate	Price	Invest. Return
F. N. Burt, pref.	10%	107	9.15
Mackay, pref.	4%	64	6.25
Can. Gen. Elec., pref	7%	100	7.
Can. Locomotive, p.	7%	88	8.
Maple Leaf, pref.	7%	97	7.22
Steel of Can., pref.	7%	93	7.53
Can. Car & Fdy., p.	7%	72	9.40

Morrow & Jellett

	Price
Canada Cement, 7% pref.	92
Canada Steamships, 7% pref.	70
Mackay, 4% pref.	64
Steel of Can., 7% pref.	93
Winnipeg Rly., 7% pref., which carries a 20% bonus of common stock	90
Maple Leaf Mill., 7% pref.	98
Can. Locomotive, 7% pref.	87

Morrow & Jellett, in addition, refer to Robert Simpson 6% pref., quoted at 80 and yielding 7½%. They say: "This stock has a ready market and is one that is listed in London, England, also. It is a particularly fine preferred stock and one of the best we know of because of the nature of the business. The company is going ahead by leaps and bounds.

"In addition to this we consider the Winnipeg Electric 7% pref. stock at 90 another of the best, because the recent issue of $3,000,000 preferred, which has all been sold, cleans up the company's floating debt and gives them surplus working capital. As the issue has all been placed the price, of course, is different to-day, in so far as you can only get 20 per cent. common stock as a bonus."

Campbell, Stratton & Co.

Preferred	Rate	Price	Yield
Maple Leaf Mill.	7%	98- 99	7.10
Can. Gen. Elec.	7%	100-101	7.
Can. Locomotive	7%	86- 88	8.
Steel of Can.	7%	92- 93	7.50
Can. Cement	7%	92- 93	7.50
Penmans	6%	77½- 78½	7.60

Greenshields & Co.

	Earn. last Yr. %	5-yr. av. %	Price	Yield
Ogilvie Flour, 7%	47.9	66.7	101	6.9
Sher.-Williams 7%	28.4	21.8	92	7.6
Can. Cement 7%	11.0	16.5	93	7.5
Dom. Steel Co. 6%	46.0	90.9	70	8.6
Dom. Glass 7%	22.6	16.0	82	8.5
Dom. Textile 7%	63.9	57.9	97	7.2
*Asbestos Crp. 7%	25.2	11.8	94	7.4

*6% non-cumulative but rate raised to 7% in 1920 and bonus of 2% paid in 1919 and 1920.

As current earning power is of less importance than average earning power over a period of years we have given average earnings for the past five years. In that period dividends on the above stocks were earned approximately twice to approximately fifteen times over.

Bryant, Isard & Co.

Ogilvie, Preferred, around 101.
General Electric, Preferred, 100.
Textile, Preferred, 96.
Steel of Canada, Preferred, 92.
Canada Cement, Preferred.

This list consists of five stocks, each representing a different industry and all accumulative. Steel of Canada, Preferred is in addition participating. The average return of these stocks is about 7½ per cent., and all can be considered reasonably safe.

Stobie, Forlong & Co.

Canadian General Electric, Preferred.
Penmans, Preferred.
Robert Simpson, Preferred.
Steel of Canada, Preferred.
Canadian Locomotive, Preferred.
Asbestos Corp., Preferred.
Porto Rico Railway, Preferred.
Dominion Foundries, Preferred.

We Own and Offer

$40,000

Dominion Iron and Steel

1st Mortgage 5's

Due July 1, 1929

To yield 8%

Listed Montreal Stock Exchange

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RSC INVESTMENT-SERVICE

Mortgages vs. Equities

THE difference between bonds and stocks is this. The bond is a mortgage. The bondholder is a secured creditor. If principal and interest are not paid, bondholders can foreclose. Bond principal and interest are prior charges on assets and earnings.

Stocks are equities. Shareholders are partners, not creditors. Their share is that part of the assets and earnings which are left after bondholders are satisfied. Returns on stock equities, *i.e.* dividends, fluctuate with industrial prosperity and depression. That is why the values of shares move widely up and down on the Stock Exchanges.

It also explains why bond values are more stable than stock values.

. . . .

Industry does not benefit from stock market speculation. Industry thrives because of the confidence of the investor — chiefly the bond buyer.

The difference between the industrial bond buyer and the buyer of equities is that the first is a well-secured creditor of industry; the second is sometimes a speculator, who hopes for a profit and must prepare for a loss.

Not so the bondholder. He has little to fear from temporary business depression.

. . . .

The truth of this is borne out by the turn of the wheel in the last eight months.

Up to June of last year everything favoured the speculator. He made money quickly and sometimes was envied by the investor; but to-day the investor may congratulate himself.

All those who hold bonds of well-managed and conservatively operated industrial enterprises should hold fast to them and buy more; because industry is the foundation of all wealth, and the mortgage bonds of all sound industries are to-day selling at prices which are exceedingly attractive.

. . . .

This is the time of times to buy industrial bonds. Write to us for our list.

Royal Securities Corporation
LIMITED
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Vancouver New York London, Eng.

We do not "—stand and wait"

If you wish to purchase Victory Bonds, or if you have occasion to sell them, we invite you to place your orders through us.

While it may be true that "they serve—who stand and wait," you will find the promptitude and accuracy of our Victory Bond Department pleasing by contrast.

Telephone orders particularly solicited.

Wood, Gundy & Company
Canadian Pacific Railway Bldg. - Toronto
Toronto Montreal Winnipeg
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Western Municipal and Government Bonds

and

Bonds Suitable for the American Market

Royal Financial Corporation, Limited

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NEW ISSUE
CITY OF ST. CATHARINES
6% COUPON BONDS
Maturities: 1922—1926
Principal and semi-annual interest (April 20 and October 20) payable in Toronto or St. Catharines. Denomination, $500 and $1,000
PRICE TO YIELD 6.40 PER CENT.
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Ultimately the securities of these companies are offered to the public, generally to inexperienced investors, who lose millions each year in just such securities.

You owe it to yourself to consult an established Investment House before you place your funds in securities which carry the least atmosphere of speculation. Without cost they will advise you.

Before You Invest, Consult Us.

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W. S. MORDEN, K.C. *Vice-President and Estates Manager*
JOHN J. GIBSON *Managing Director*

NEWS OF THE BOND MARKET

B.C. WILL BORROW $4,000,000 MORE FOR P.G.E. RAILWAY

Total of $40,000,000 Will Then Have Been Put In Line

ALBERTA'S POSITION

Documents Filed at Edmonton Show Agreement re E.D. & B.C. Line

Still further funds will be necessary for the completion of the Pacific Great Eastern Railway line to Prince George, and the province of British Columbia will shortly borrow $4,000,000 for this purpose. It is hoped that this sum will be sufficient to complete the line to Prince George, which should be reached in another twelve months.

Last year $4,000,000 was borrowed, but it proved insufficient to complete the line, owing to extreme advances in construction and maintenance cost, and deficits in operations; in fact, the money had to be devoted to other purposes than strictly new construction, Premier Oliver says.

By the time the line is completed over $40,000,000 will have been spent on it.

The Pacific Great Eastern Railway was originally incorporated in 1912 to construct a line through the Fraser River valley from Vancouver to Prince George, and the Grand Trunk Pacific Railway, a distance of 480 miles. In February, 1918, the province of British Columbia acquired the common stock of the company and now owns and operates the line.

Alberta and the E.D. and B.C.

Documents tabled in the Alberta legislature outline the agreements under which the provincial Government took over the operation of the E.D. and B.C. Railroad.

The main agreement in respect to the E.D. and B.C. system recites that there was default in the payment of the interest due upon debenture bonds guaranteed by the province, the principal of which aggregated $9,420,000 and in the payment of interest on a loan made by the province to the sum of $2,000,000. In addition there was another issue of company stock, amounting to $2,400,000, this latter being secured by mortgages. It points out that by reason of this default and the failure of the company to keep the system in proper working condition that the province deemed it expedient to appoint a manager of the companies in question, and through this manager a working agreement is arrived at between the Canadian Pacific and the Government. The province agreed to advance through the manager $1,000,000, and another sum not exceeding $1,500,000 to remedy the deferred maintenance of the system and to bring the lines of the company up to a reasonably efficient operating standard. These advances are to be repaid with 6 per cent. interest in July, 1925, or July, 1930, at the option of the C.P.R., with interest payable half-yearly. By way of security the Government takes a first mortgage on all rolling stock, franchises, etc., which the E.D. and B.C. system owned. All moneys advanced must be disbursed through the manager appointed by the Government.

1921 TAX RATES

Hamilton	33½ mills
Moose Jaw	27 mills
Brockville	37½ mills

SIR HENRY'S PIPE

Canadian bond dealers and financial men who have sat in conference with Sir Henry Drayton, the Minister of Finance for the Dominion, on many occasions, and have fought wordy battles with him over questions of "embargo," price control of Victory bonds, taxation, etc., know that Sir Henry always had two things with him—his good nature and his pipe.

Capt. Evan Edwards, His Majesty's Senior Trade Commissioner to Canada and Newfoundland, who spoke at the Board of Trade in Toronto this week, referred to Sir Henry's pipe.

"I have been called into conference with the Minister of Finance on many occasions—into conference with him and his pipe," said Capt, Edwards. "Sir Henry and his pipe are inseparable."

$130,000 BOND ISSUE BY POINTE CLAIRE

Nesbitt, Thompson & Co., Ltd., have bought the Pointe Claire, P.Q., issue of $130,000 of 6 per cent. 25-instalment debentures, at 97.529, a basis of 6.30 per cent.

Tenders were received as follows:

Nesbitt, Thomson & Co.	97.529
Versailles, Vididcaire & Bolais	97.32
A. E. Ames & Co.	96.13
Hanson Bros.	96.01
Dominion Securities Corp.	95 86
Credit Canadian	95.77
Provincial Securities	95.76
Foster, Barrett, Riepert & Low	95.61
Rene T. Leclerc	95.125

REGINA'S BIG DEFICIT

By Resident Representative.

REGINA. — Civic officials are wrestling with the problem of a deficit of $290,000, the total for 1918, 1919 and 1920. The Bank of Montreal is pressing for a settlement and the city commissioner is suggesting an issue of treasury bills for a five-year period to cover the indebtedness.

SELLS BONDS LOCALLY

Stratford, Ont., has been selling its debentures locally and has succeeded in disposing of $50,000 of bonds as follows: $20,000, 6 per cent., 30 years; $22,000, 6 per cent., 10 years, and $8,000 15 years.

SWIFT CURRENT'S FINANCES

Two small errors crept into the report on Swift Current's finances which was published on this page a few weeks ago. One statement was that the annual tax assessment of the town was $71.81 per capita. This is the annual tax, not the assessment. A fair annual tax was given as $63,000, whereas Mr. O. J. Godfrey, the chartered accountant who reported on the city's condition, stated that the city could stand an annual tax of $169,000.

YORKTON TO ISSUE BONDS

By Resident Representative.

YORKTON.—Acting for bondholders, a firm of Toronto lawyers have drafted a civic by-law covering the total issue of $148,000 five-year debentures. The city council has accepted the by-law.

WETASKIWIN IS PAYING

Wetaskiwin, which has been in default, is now paying interest arrears and issuing refunding debentures as rapidly as the staff of the town can handle the transactions.

DRUMHELLER'S SALE

Drumheller has completely disposed of its $28,000 of hospital debentures locally. Some interest was shown towards the issue by Eastern houses, but the hospital district was able to dispose of the bonds locally at a good figure. They were 7 per cent. 20-year debentures.

PRESCOTT-RUSSELL ISSUE 6.17 P.C.

R. C. Matthews & Co. Pay Good Price For Country Bonds

The united counties of Prescott and Russell have sold $100,000 of 20-instalment 6 per cent. debentures to R. C. Matthews & Co., at 98.55, a 6.17 per cent. basis.

Among the bids received were:

R. C. Matthews & Co.	98.55
A. E. Ames & Co.	97.923
Dyment, Anderson & Co.	97.667
Wood, Gundy & Co.	97.66
Harris, Forbes & Co.	97.579
McLeod, Young, Weir & Co.	97.09
Dominion Securities Corp.	96.811
W. A. Mackenzie & Co.	96.21

MORRIS, MAN., ISSUE TO W. A. MACKENZIE

Issue of $50,000 of Bonds Sold on Basis of 6.40 Per Cent.

Bonds to the amount of $50,000, issued by the rural municipality of Morris, Man., have been awarded to W. A. Mackenzie & Co. The bonds are 6 per cent. 20-instalment, good roads debentures. The basis was 6.40 per cent. A number of bids were received:

W. A. Mackenzie & Co.	96.7
Cross, Regina	95.91
Harris, Read & Co.	95.83
A. E. Ames & Co.	95.58
Bond & Debenture Corp.	95.53
Wood, Gundy & Co.	95.42
Bell, Gouinlock & Co.	95.28
Canadian General Securities Corp.	95.03
R. C. Matthews & Co.	94.18

OPENS BOND DEPARTMENT

Toronto Brokerage House Extends Activities

Bryant, Isard & Co., stock brokers, have opened a bond department in connection with their Toronto office, and will in future handle Government and municipal securities in addition to their regular stock dealings. Gordon G. MacLaren, formerly associated with Turner, Spragge & Co., bond dealers, Toronto, will have charge of the new department. Mr. MacLaren has been engaged in the bond business for the past two years.

TALK OVER MELVILLE

Representatives of the town of Melville, Sask., will meet the bondholders in Toronto on March 31 to consider an arrangement regarding the finances of the town.

MOOSE JAW TAX RATE

By Resident Representative.

MOOSE JAW. — Moose Jaw city council has passed civic estimates for the year totalling $609,300. This means a tax rate of 27 mills on an assessment of over $22,500,000.

GOVERNMENT SWINE

By Resident Representative.

REGINA.—The province has found a new source of revenue—it is now in the swine breeding business. At the four institutional farms over which Hon. A. P. McNab, minister of public works, presides, there are now 285 swine. The sales of the Government-owned swine for 1920 netted the province over $6,000.

GUARANTEED BY PARIS

An issue of bonds of the town of Paris as guarantors for G. W. McFarland and Co. was purchased by C. H. Burgess and Co. The issue consisted of $40,000 of 20 year 6 per cent. bonds.

February Bond Sales

While municipal bond sales were greater by over $4,500,000 in February than in January, the total bond sales during the month on account of Canadian municipalities, railways and corporations were $17,277,512, much below January's total of $39,401,522.

There were three pulp and paper issues, totalling $8,000,000, negotiated during the month, although public offering of them is being made in March.

Bonds issued in Canada in January were:

Municipal	$ 9,277,512
Provincial	....
Railway	....
Corporation	8,000,000
February	$17,277,512
January	39,401,522
Year to date	$56,679,034

The chief issues were:

Municipal	
Toronto	$5,037,000
Winnipeg	1,250,000
Corporation	
Spanish River P. & P. Co.	$3,000,000
Abitibi Power & Paper	4,000,000
Howard Smith Paper	1,000,000

BOND MOVEMENTS OF THE WEEK

Bonds—	Int. Rate.	Due. Year	Yield	Range 1921. High	Range 1921. Low	Latest price. Wk. End. Feb. 29. Ask	Bid	High	Low	Sales
Asbestos	5	1942	6.78	80	77	80	79¾	79¾	..	$7,500
Bell Telephone	5	1925	6.79	92½	91¼	..	92½	92½	..	2,000
Can. Bread	6	1941	7.42	86	84	85	84	85	..	1,000
Can. Cement	6	1929	6.91	94	91½	..	94	94	..	2,000
Can. Cottons	5	1940	7.02	78½	..	79	..	78½	..	25,000
Can. Locomotive	6	1951	6.87	89	86½	89	88	89	88	3,000
Cedar Rapids	5	1953	5.88	87½	86⅛	87¼	87	87½	87	47,100
Dom. Canners	6	1940	6.93	90	86	..	90	90	..	1,000
Dom. Coal	5	1940	6.13	87	86	87	86	87	..	3,000
Dom. Iron	5	1929	8.02	82	75	82	81⅞	82	80½	49,000
Dom. Textile	6	1925	7.97	92	91	..	92	92	..	2,000
Mont. Trams, deb.	5	1924	13.45	66¾	65	..	65¾	66	65¾	9,000
Montreal, Sept. '23	6	1923	6.27	99¼	98	..	97¾	99¼	..	2,500
Do., Dec. '22	6	1922	2.30	107½	96½	..	107	107½	..	1,000
Ogilvie	6	1932	6.51	96	93	..	95	96	95¾	10,000
Penmans	5	1926	7.17	89½	85	89½	89	89½	..	18,000
Quebec Rly	5	1939	8.58	68	59	66	65½	66	64¼	64,400
Rio	5	1935	7.38	79	62	79	78	78½	69	4,200
Sao Paulo	5	1929	8.10	82	70	81	80	81	80	33,000
Steel of Can.	6	1940	6.49	95	92½	95	94	94½	..	2,000
Wayagamack	6	1951	8.08	78¼	75	77	75	77	76	12,300
Winnipeg Rly.	5	1927	8.68	83½	80	..	83½	80	..	2,000
War Loan (1925)	5	1925	6.46	95½	92	94½	93⅞	94	93¾	56,400
Do., (1931)	5	1931	5.81	95¼	90¾	93½	93	93¾	93	11,600
Do., (1937)	5	1937	5.17	98½	94½	98¼	98	98⅛	97	117,650
Victory (1922)	5½	1922	6.17	99¼	97	98⅞	98⅝	98¾	98¼	126,350
Do., (1923)	5½	1923	6.18	99	95½	98¼	98	98¾	97½	163,450
Do., (1924)	5½	1924	6.43	98½	94¼	96⅝	96½	96⅞	96	930,400
Do., (1927)	5½	1927	5.94	99⅛	95¼	97¾	97½	98⅞	97	69,550
Do., (1933)	5½	1933	5.64	99	95⅛	98⅝	98⅜	98¾	98⅛	560,600
Do., (1934)	5½	1934	6.00	96⅛	92¼	95⅜	95¼	95⅝	95¼	1,329,850
Do., (1937)	5½	1937	5.51	100½	96½	99⅞	99¾	99⅞	99¼	1,014,750

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Members Toronto Stock Exchange
INVESTMENT SECURITIES
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Canada

Plenty of Reason for
OPTIMISM

There is no reason for pessimism as to the future of Canada. On the other hand there is plenty of reason for optimism.

The future of Canada is not taken very much into account in present prices for Victory bonds. With peace conditions becoming more and more established, there will come better prices for Victories.

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Rural Municipality of
PIPESTONE
GOOD ROADS DEBENTURES

THE undersigned will receive tenders up to 6 o'clock P.M. on March 31st next for $80,000.00 of Good Roads Debentures. Interest and principal payable each year on January 1st. Debentures dated January 1st, 1921. Bidders to state offers payable at par at Bank of Montreal in Reston, Man. The Council reserve the right to reject any or all bids. For further particulars apply to the undersigned.

Dated at Reston, Man., this 21st day of February, 1921.

G. F. BIRNEY,
Sec'y-Treas. Mun. Pipestone.

CITY OF
TRAIL, B.C.

SEALED tenders, marked "Tender on Debentures," will be received by the undersigned up to 8 p.m. on Monday, March 7th, 1921, for $37,000.00, 7%, 20 years straight term waterworks debentures. Denomination $500.00. Interest payable semi-annually. Principal and interest payable in Trail, Toronto or New York at option of holder. Interest coupons attached.

WM. E. B. MONYPENNY,
City Clerk.

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INVESTMENT BANKER
MONTREAL — 160 St. James Street,
QUEBEC — 76 St. Peter Street,
(Established 1901)

OSLER & HAMMOND
Stock Brokers and Financial Agents
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Toronto Stock Exchange
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21 JORDAN STREET - TORONTO

ANNOUNCEMENT

T. S. G. Pepler & Co. beg to announce to their clients and friends that Mr. L. Soliague has retired from the firm.

The business will be carried on as usual in Government, Municipal and Corporation Bonds, under the old name of T. S. G. Pepler & Co., at 106 Bay Street, Toronto.

New Issue

$1,000,000

HOWARD SMITH PAPER MILLS
LIMITED
(Incorporated under Letters Patent of the Dominion of Canada)

7% First Refunding Mortgage Sinking Fund Gold Bonds

Dated January 2nd, 1921. Due January 2nd. 1941. Principal and interest payable at the Royal Bank of Canada, Montreal or Toronto, or at the office of Aldred & Company, Limited, New York. IN NEW YORK FUNDS AT THE OPTION OF THE HOLDER. Interest payable January 2nd and July 2nd.

Trustee: The Montreal Trust Company, Montreal.

Of the total of $7,000,000 there is authorized to be presently issued $3,500,000 of which there is now being sold	$1,000,000
There will be held in escrow to retire the total outstanding 6% First Mortgage Bonds of Howard Smith Paper Mills, Limited, and Toronto Paper Mfg. Company, Limited	1,490,000
There will be held in escrow against balance to become due on timber limits	580,000
There is being held to be disposed of for the purposes of the Company as the Directors may from time to time determine	430,000
	$3,500,000

Leaving $3,500,000 for future capital requirements, issuable according to the terms of the Deed of Trust.

SINKING FUND—Beginning January 1st, 1923, there will be provided an annual Sinking Fund equivalent to 2% of the total amount of Bonds outstanding.

RETIREMENT OF OUTSTANDING SECURITIES—An offer of exchange is being made to the holders of the outstanding 6% Bonds of the Howard Smith Paper Mills, Limited, and the Toronto Paper Mfg. Company, Limited, providing for the deposit of their Bonds and the acceptance by them of 7% Bonds of this issue held by the Trustee in escrow.

Upon the retirement of all such bonds by exchange or otherwise, and upon payment of the balance due on timber limits, the presently authorized issue of bonds will be secured by a first mortgage and charge on the entire assets of the company.

LOCATION AND BUSINESS—Howard Smith Paper Mills, Limited, is the largest manufacturer of high-grade writing and book papers in Canada. It is now the owner of the properties and assets of the Toronto Paper Mfg. Company, Limited, which it has acquired and taken over as a going concern as and from January 1st, 1921. The Company operates three modern paper mills situated at Beauharnois and Crabtree Mills, Quebec, and Cornwall, Ontario. In addition, at the latter point a sulphite mill is operated together with a bleaching plant. The aggregate capacity of the three plants is:

100 tons per day of high-grade book, writing, bond and ledger papers.
70 tons per day of high-grade bleached sulphite.

The Company also owns about 500 square miles of timber limits.
It is proposed later to extend the operations of the Company in the production of soda pulp and book papers manufactured therefrom, as well as bristol board, filled blanks, etc., which products are now imported into Canada in large volume. It is advantageous and a matter of national importance to provide these facilities in Canada.

ASSETS

The fixed assets of the Company, excluding good-will, represent a book value of	$6,472,000
The surplus of current assets over current liabilities, including the proceeds of this issue, will amount to	2,200,000
Total Assets	$8,672,000
Or after deducting the amount of the present outstanding bonded debt, equal to over seven times the par value of the Bonds now to be issued.	
The actual value of the Fixed Assets is estimated at	$8,000,000

EARNINGS—The average annual net earnings for the past three years ending December 31st, 1920, after deducting Bond interest and depreciation, were $477,288, or sufficient to pay about seven times the interest charges on Bonds now to be issued.

(The Toronto Paper Mfg. Company's earnings are included only for the past two years, during which time its entire issue of Capital Stock has been owned by the Howard Smith Paper Mills, Limited).

The net earnings after Bond interest and depreciation for year ended December 31st, 1920, amounted to $815,683, or over eleven times the interest charges on Bonds now to be issued.

PRICE: 91 and Accrued Interest, Yielding 7.90%

After a thorough investigation of the Company's properties and earning capacity and a careful study of its progress and standing in the trade, we strongly recommend these Bonds for investment.

Descriptive circular will be mailed on request.

R. A. DALY & CO.
Bank of Toronto Building, TORONTO

ALDRED & CO. LIMITED
Royal Trust Building, MONTREAL

HANSON BROS.
Guardian Building, MONTREAL

FIELD OF MUNICIPAL FINANCE

GETTING BUSINESS MEN INTERESTED IN CIVIC POLITICS

Would Mean Higher Standard of Local Finance and Government

VOTERS' LEAGUES

Toronto Business Men Hope to Get All The People Out To Vote

When in many of the most important polling subdivisions of the city of Toronto at the last municipal election scarcely 10 per cent. of the qualiled voters exercised their franchise, and when throughout the country it is hardly possible to find a large city where a large proportion of the voters get out for municipal elections, it is evident that the great mass of the ratepayers are largely responsible for weaknesses in municipal government systems in Canada. Someone has said that if 100 per cent. of the people voted there would be no weak or inefficient governments. Certain it is that if a wider and more intelligent interest in questions of civic government and civic finance were taken by business men and others who do little now but criticize existing systems and existing representation the standards of municipal government would be raised considerably.

One Scheme in Toronto

In Toronto a group of business men, backed by the Board of Trade, the Rotary Club and similar organizations have formed a Municipal Voters' League, aimed to stimulate further interest in civic matters by the dissemination of intelligent information regarding candidates, policies, etc. The league got away to a late start a year ago and was not an important factor at the last election, but already several hundred business men have enrolled and on the executive committee are such representative financial men as W. C. Brent, head of Brent, Nixon & Co.; F. J. Coombs, of A. E. Ames & Co.; Col. F. H. Deacon, of F. H. Deacon & Co.; J. J. Gibson, manager of the Chartered Trust and Executor Co.; J. H. Gundy, of Wood, Gundy & Co.; J. W. Mitchell, of the Dominion Securities Corporation; Sir James Wood, head of the Gordon-Mackay Co.; W. H. Alderson, president of the Board of Trade; Brig.-Gen John A. Gunn, of Gunns, Ltd., and Melville P. White, of the Canadian General Electric Co.

Plan to Issue Bulletins

In addition to holding public meetings it is planned to issue bulletins on such subjects as:

(1) Biographical Sketches (Who's Who) of the elected members of the Civic Government, with particular attention to the public services which they have rendered.

(2) A similar Biographical Sketch of candidates for municipal office.

(3) A monthly synopsis of the proceedings of the Council and Board of Education, listing and describing the chief matters before these bodies, the action taken, and where necessary the votes of individuals.

(4) A bulletin explaining who are entitled to vote, and what progress is being made in increasing the number of voters.

(5) An annual report giving a resume of the work of the City Council and Board of Education, listing the matters on which action was taken, or on which action was not taken, or postponed.

A number of present tendencies in municipal government were mentioned by W. C. Brent, the president of the league, in an address at the Young Men's Club of the Toronto Board of Trade this week to show that a distinctly higher calibre of men must interest themselves in civic politics. He instanced the new systems of assessment contemplated which means inflation in a city that already has a too high per capita assessment; the failure of those in civic control to handle municipal ownership projects on a business-like basis and the incomplete tax rolls used in the city. Mr. Brent contended:

"The men who guide the civic policies of this city are not of sufficiently good calibre to warrant them holding their positions. They have charge of the spending of $30,000,000 a year, or more than the Province of Ontario and they should be of the calibre of the boards of directors of banks.

"Steps should be taken by business men to secure good candidates; see that they are elected and then given popular support after they are in office."

REVISE ASSESSMENT CANORA PROPERTIES

City Endeavors to Improve Basis of Land and Improvement Valuation

Canora, Sask., has completed its 1921 assessment and has endeavored to get its taxation system on a sounder basis than in the past, when the town has had financial difficulties. Assessments of lands, improvements and businesses in the original townsite have been largely increased, while reductions have been made on outlying properties.

The result is a net increase from $1,139,115 to $1,247,425 as follows:

Lands	$ 697,395	$ 672,460
Improvements	452,245	502,975
Business	132,150	226,390
Totals	$1,281,790	$1,401,825
Exempt	142,675	154,400
Net assessment ...	$1,139,115	$1,247,425

TO TAX UTILITIES

Calgary has decided to put a tax of 4 per cent. on the gross revenues of its civic utilities. The utilities affected are the electric light plant, the street railway and the waterworks department.

MANITOBA'S DEBT IS WELL PROTECTED

Figures of Provincial Treasurer Indicate Large Liquid Assets

Manitoba has immediately available liquid assets amounting to 23 per cent. of its gross debt, Hon. Edward Brown, provincial treasurer of that province, states. The total funded debt of the province is $51,000,000, while in the treasury there are unexpended capital for funds and bonds as follows: Bonds of the Dominion of Canada, $780,970.66; province of Manitoba bonds, $1,776,271.00; municipal bonds, $3,142,884.67; school bonds, $840,362.81; Manitoba farm loans, bonds and shares, $3,650,000; Rural Credits Association bonds, $14,045; unexpended capital, $2,118,893.81. Total, $12,323,000.

The minister stated that of the total debt all but $19,600,000 could be classified as self-sustaining.

Money By-Laws

TENDERS WANTED

Mar. 26, Drumheller, Alta.—$28,000, 7 per cent., 20-year Hospital debentures. S. P. Williams, Sec.-Treasurer, Drumheller.

Mar. 7, Trail.—$37,000, 7 per cent., 20-year waterworks debentures. Wm. E. B. Monypenny, City Clerk, Trail, B.C. (See announcement on page 13).

Mar. 5, R. M. St. Andrews.—$187,642.49, 5" 30-year good roads debentures. J. D. Forster, Sec.-Treas., Clandeboye, Man.

Mar. 31, R.M. Pipestone—$80,000, Good Road debentures. (See announcement elsewhere in this issue).

Mar. 5, New Toronto.—$58,000, 6½ per cent. school debentures. A. F. Ritchie, Treasurer, New Toronto.

Mar. 8, St. Thomas.—$165,893, various maturities. S. O. Perry, City Treasurer.

BY-LAWS TO BE VOTED ON

Mar. 10, Craik.—$35,000 for purpose of erecting a school.

Mar. 8, R. M. Boulton.—$10,700 for purpose of erecting a hospital.

Mar. 8, R. M. Russell.—$25,500 for erection of a hospital.

BRITISH COLUMBIA

The following certificates have been issued by the Municipal Department of the Province of British Columbia under the following dates:

Jan. 28, 1921.—The Corporation of the District of Kent—"Hammersley Prairie Dyking By-law No. 1920", $20,000 payable in twenty years with interest at 6 per cent. payable half-yearly.

Jan. 28, 1921.—The Corporation of the District of Kent—Debentures Nos. 1-40, $500 each, issued under above-mentioned by-law, payable January 2, 1941, with interest at 6 per cent. payable half-yearly.

Feb. 18, 1921.—The City of Chilliwack—"The City of Chilliwack Yale and Westminster Road Paving Local Improvement Debenture By-law 1920," No. 249, $24,500, payable in ten years with interest at 6 per cent. payable half-yearly.

Feb. 18, 1921.—The City of Chilliwack—"The City of Chilliwack Business Section Road Paving Local Improvement Debenture By-law 1920," No. 250, $21,500, payable in ten years with interest at 6 per cent. payable half-yearly.

SASKATCHEWAN

The following is a list of authorizations granted by the Local Government Board from Feb. 1st to Feb. 12th, 1921:

Schools — Meadow River, $2,000; Peebles, $1300; Gibson Creek, $2000; Briardale, $600; Tilney, $800; Craik, $35,000; Copeland, $1700; Penzance, $17,400; Buccleugh, $800; Fairwell Creek, $3500.

Telephones.—Hillsborough, $800; Bow Valley, $2500; Carruthers, $34,000.

Village—Bladworth, $4000.

The following is a list of debentures sold by the Local Government Board from Feb. 1st to Feb. 12th, 1921:

Schools—Shellbrook, $1200, 8 per cent., Mr. McDonald, Prince Albert; Zealandia, $1500, 15 yrs., 8 per cent., H. L. Morrison, Zealandia; Slawa, $1200, 15 yrs., 8 per cent., Waterman-Waterbury, Regina; Weyburn, $5000, 30 yrs., 6½ per cent., Weyburn Sinking Fund, Weyburn; Church Hill, $1800, 10 yrs., 8 per cent., Waterman-Waterbury, Regina; Paynton, $31,000, 20 yrs, 8 per cent., Harris, Read & Co., Regina; Bitter Lake, $4200, 10 yrs, 8 per cent., H. J. Birkett, Toronto, Ont.

Rural Telephones—Verdun, $1000, 15 yrs., 8 per cent., Pert & Pert, Regina. Langbank, $850, 15 yrs., 8 per cent., Moosbank, $1000, 15 yrs, 8 per cent., C. C. Cross & Co., Regina. Southminster, $1000, 15 yrs., 8 per cent., Sunderland, $2100, 15 yrs., 8 per cent., North Redvers, $1900, 15 yrs., 8 per cent, Noremac, $1500, 15 yrs., 8 per cent., L. McKinnon & Co., Regina. Middleton, $2950, 15 yrs., 8 per cent., R. McLeod, Regina. Surbiton, $200, 10 yrs, 8 per cent., Local Purchaser, Surbiton. Meyronne Southern, $1000, 15 yrs,, 8 per cent., C. C. Cross & Co., Regina. South Churchbridge, $2500, 15 yrs., 8 per cent., Regina Pub. S. Sinking Fund.

Towns—Melfort, $1500, 20 yrs., 6½ per cent., Melfort, $6900, 10 yrs, 6½ per cent., Local Purchaser, Melfort.

8% and Safety
A Cumulative Preferred Stock
paying regular quarterly dividends of 8% per annum, safeguarded by a sinking fund and participating in earnings with common shares.
Up to 12%
Let us send you particulars.
HOUSSER WOOD & COMPANY
INVESTMENT BANKERS
12 King Street East, Toronto

BARRISTERS, WINNIPEG
Phone A3733
C. N. DALGLEISH
Barrister, Solicitor, Etc.
801 Union Trust Building
WINNIPEG, MAN.

Dominion of Canada
Victory Bonds
All Maturities
Bought - Sold - Quoted
DOMINION SECURITIES CORPORATION-LIMITED
26 KING ST. E. TORONTO
MONTREAL. LONDON ENG.

£15,000
Grand Trunk Pacific Railway
Mountain & Prairie Section
4% Bonds Due April 1st, 1955
Payable Montreal and New York
at 4.86 to the £
Price 65.77
To Yield 6.50%
McKAY-McKAY
Government & Municipal
BONDS.
C.P.R. Building : Toronto

ANDERSON ROBINSON and COMPANY
INVESTMENT BANKERS
14 KING ST. EAST
TORONTO
CANADA.

LIMIT PARIS ISSUE

Only $6,000,000 Instead of $20,000,000 Proposed

By Resident Representative.

MONTREAL.—For the present at least the issue of city of Paris bonds, which was to have run to the extent of $20,000,000, will be limited to $6,000,000.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date.	Place	Sold to	Rate.	Term.	Amount.	Price.	Basis
Feb. 28.	Morris, Man.	W. A. Mackenzie & Co.	6%	20 ins.	$50,000	96.7	6.40
Feb. 28.	Stratford	Locally	6%	10-30	50,000	Par	6.
Feb. 28.	Pointe Claire	Nesbitt, Thomson	6%	25 ins.	130,000	97.529	6.30
Feb. 28.	Drumheller Hospital	Locally	7%	20 yrs.	28,000	...	...
Feb. 21.	Edmunds, B.C.	Unknown	6%	19-34	134,000	Par	6
Feb. 21.	Rossland, B.C.	Gillespie, Hart & Todd	7%	20 yrs.	11,500	....	....
Mar. 1.	Prescott and Russell	R. C. Matthews & Co.	6%	20 ins.	100,000	98.55	6.17
Mar. 2.	Paris	C. H. Burgess & Co.	6%	20 yrs.	40,000	....	....
		INDUSTRIAL					
Feb. 28.	Abitibi Power & Paper ...	Peabody, Houghteling Co.	8%	10 yrs.	4,000,000	...	...
Feb. 25.	Howard Smith Paper	Aldred & Co.	7%	25 yrs.	1,000,000	....	....

OUR GOLDEN JUBILEE
1871 - 1921
FIFTY YEARS OF SERVICE
Sun Life Assurance Company of Canada
Head Office: Montreal

UNION FIRE AND CASUALTY
Canada's *Zenith* Company
Authorized Capital - $500,000.00
WINNIPEG, MANITOBA
Underwriting
FIRE AND MARINE
Automobile - Plate Glass - Live Stock
Health and Accident Surety and Bonding

Automobile Insurance
Lowest Rates
Non-tariff
BEST SERVICE QUICKEST ADJUSTMENTS
Agencies in Provinces of Ontario, Quebec, Maritime and Newfoundland Wanted.
R. C. SANBORN, GEN. AGENT, Eastern Canada
305-6-7 Bank of Toronto Chambers, Montreal

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL
Canadian—Strong—Progressive
General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Independent Order of Foresters
Furnishes a Complete System of Insurance
Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to
Benefits Paid 66 Million Dollars
R. MATHISON, Secretary.
W. H. HUNTER, President.
HEAD OFFICE - TORONTO

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
A Canadian Company Investing Its Funds in Canada
APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. W. H. George, Superintendent of Agencies

1870 --- OUR GOLDEN JUBILEE --- 1920
FIFTY-ONE YEARS OF STEADY PROGRESS
One of the most brief yet impressive histories of Canadian financial institutions is contained in the annual record of the Mutual Life of Canada. The current issue will be ready in a few days. A copy will be sent to you on application. It contains fifty-one successive summaries showing in ten parallel columns the increase from year to year of the company's various receipts, expenditures, etc. No other document could better convey the idea of solid uniform achievement, and the momentum of the advance is now greater than ever. The prospects are bright for a still more rapid expansion within the next few years. The assets of the company exceed $40,000,000 and the assurances in force have reached $206,000,000. There is a gross surplus of more than five million dollars over and above the amount necessary to guarantee all policies, so that the position of the company in spite of the strain of recent years is one of uncommon strength.
THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA, WATERLOO, ONTARIO
HUME CRONIN, M.P., President - - - CHARLES RUBY, General Manager

5½% Interest Return
INVEST YOUR SAVINGS
In a 5½ DEBENTURE of The Great West Permanent Loan Co.
SECURITY
Paid-up Capital $2,412,578.81
Reserves 964,459.39
Assets 7,086,696.54
HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

THE FINANCIAL POST,
143-153 University Avenue, Toronto.
.............................., 1921
Please enter me as a regular subscriber, commencing at once. If I am satisfied with the paper I will remit $5.00 to pay for my subscription on receipt of bill, or you may draw on me for this.
Name..
Address..
March 4, 1921 ....

INSURANCE AND REAL ESTATE

MARINE INSURANCE CO.'S SUFFER FROM PILFERAGE MENACE

Due to Ineffectiveness of Supervision Upon Goods in Transit

ALARMING INCREASE

Evil Makes Inroads Upon Companies' Profits—Share Burden of Loss With Shipper of Goods

Whether through a radical degeneracy in human morals, or through increasing laxity of police supervision, there has been an alarming increase of late in the prevalence of robberies from goods in transit upon the ocean highways. This pilferage, as it is called, has developed to such an extent within the past year that insurance companies engaged in writing marine insurance, look upon this development as a real menace, and are considering the adoption of extreme measures to protect their dwindling profits from dissolution.

Such goods as boots and shoes, gloves, and all forms of wearing apparel are most liable to suffer, while liquors of course are at the top of the list. The robberies are committed when the goods are being loaded or unloaded, or during the course of the voyage. Authorities who have investigated the situation declare that for one cargo pilfered in 1913 there are hundreds to-day, and the value of the goods stolen has enhanced within the same period by not less than 2,000 per cent., and individual thefts range from hundreds to even thousans of dollars.

The cause may be found in the increased cost of living, but it is unundoubtedly due in large part to the ineffectiveness of the supervision placed upon goods in the course of loading or unloading, and to the leniency with which the public looks upon thieving of this sort. The case is reported of a group of stevedores, accustomed to operate in New York harbor, who appeared before a New York judge on a charge of pilfering. Their thefts ran into a large volume. The judge, upon being apprised that if these men were convicted they would lose their jobs, promptly discharged them. It is understood that this action took place prior to an election on the other side, and politics may have inspired the judge to leniency, but the incident serves to indicate the attitude of the public on the question.

Not so with the insurance companies, however. They have been forced to adopt means of mitigating the evil. In the years before the war such companies did not as a rule make any extra charge for insurance upon a cargo or shipment as a protection against pilferage. Loss from this cause was of such small proportions as to be almost negligible.

During the war years, and since, there has been a steady growth in the pilferage evil, however, with the result that such companies adopted the plan of issuing contracts covering theft, and the rates have steadily advanced. There is of course, no standard of rate followed by all companies but each company in determining the rate in each case is guided by the standard of the risk in question. Rates vary according to the length of voyage, the port of destination, the shipping line, and the master in charge of the vessel. Of late the losses incurred by the insurance companies from pilferage have been so severe that a number of companies have given up writing insurance of this nature entirely.

Reduce Risk

The companies which still engage in this class of business, have recently adopted a plan, by which they propose to reduce the risk borne by themselves by shifting a portion to the owners of the goods. Accordingly they have issued a ruling by which 75 per cent. of all loss from pilfering or theft will be borne by the underwriter, the remaining 25 per cent. being carried by the assured himself. The idea back of the plan was that the merchants being forced to bear a part of every loss would be more particular in their packing, and would be more insistent in their pressure upon shipowners and carriers to recover from them after the loss had been discovered. It is felt that by this means the shipowner will be more alive to his responsibility in the matter and will take pains to introduce more careful watch upon the shipments entrusted to his charge. Under the system formerly prevailing when the shipper was in no danger of financial loss from pilferage, he being fully protected by the insurance companies, there was not the same incentive to careful supervision as circumstances demanded.

It is not known that any concerted policy has yet been adopted by the shipping industry for dealing with this trouble, although individual lines have been exerting themselves. The adoption of a careful system of tallying cargo by ship's officers would seem to be one of the most effective measures. Increased police reserves has been found effective in a number of harbors.

CANADIAN FIRE CO. MAKES GOOD SHOWING

Gross Premium Income For Year Increased by $153,152—Business is Extended

The Canadian Fire Insurance Company, with head office in Winnipeg, has made marked progress during the year 1920. The annual statement shows gross premium revenue for the year at $698,373, an increase of $153,512 compared with the previous year, while net premium income has increased by $44,900. The ratio of losses to premiums earned is 33.34 per cent., while the ratio of expense, excluding Government taxes, is 35.7 per cent. Half-yearly dividends at the rate of 8 per cent. per annum were paid, together with a bonus of 2 per cent. paid with the last half-yearly dividend, making a total of 10 per cent. for the year. During the year the reserve for unearned premiums was increased by $28,143, while a balance of $81,814 was carried into general reserve account. After payment of dividends, and full provision made for Government taxes due or accruing, etc., a balance of $72,449 has been added to surplus as the net result of the year's operations. The surplus to policyholders now stands at $1,367,273 compared with $1,039,518 for the previous year, and total assets amount to $1,817,299 compared with $1,315,445.

President J. H. Ashdown in the report points out that the automobile department established a year ago has been further developed with satisfactory results. Operations were extended to the province of Quebec last year, and the company is now represented in all parts of the Dominion and in Newfoundland.

THE EMPIRE LOAN

Marked Recovery in Earnings Enjoyed During 1920.

Another year of recovery is indicated by the annual report of the Empire Loan Company, Winnipeg, the profits of $35,080 comparing with $27,748 in 1919 and $17,766 in 1918; in 1914, however, a high mark of $66,182 was reached. After the payment of dividends at 4½ per cent.—an increase of ½ per cent.—and taxes, $10,000 was added to reserve. The balance carried forward was $6,676, compared with $10,447 brought forward. Following are comparative figures for the past three years:

	1920.	1919.	1918.
Bal. forward ..	$10,447	$18,232	$ 492
Net profits . .	35,080	27,748	17,766
	$45,527	$45,980	$18,258
Inc. taxes	$ 1,200	$ 1,286	$ ....
Share Instal. ...	28	27	26
Dividend	27,623	24,220	.....
Reserve	10,000	10,000	.....
Balance	6,676	10,447	18,232
	$45,527	$45,980	$18,258

Following is a summary of the company's earnings record for the past seven years:

Year.	Paid-up Capital.	Profits.	Div.	% on. Cap.	Earn. Rate
1920 ...	$620,761	$35,080	4½	5.6	5.0
1919 ...	607,226	27,747	4	4.6	4.0
1918 ...	604,755	17,766	...	2.9	2.6
1917 ...	604,549	35,458	6	5.9	5.2
1916 ...	596,437	41,163	6	7.0	6.3
1915 ...	579,732	57,459	8	9.9	9.0
1914 ...	567,015	66,182	8	11.8	10.8

MUTUAL FIRE COMPANIES

Show Large Increase in Business for 1920 in Ontario

Mutual fire insurance companies operating in the province of Ontario show a large increase of business compared with the previous year according to a report presented by V. Evan Gray, superintendent of insurance, at the convention of the Mutual Fire Underwriters' Association of Ontario in Toronto this week. There are now some 72 purely mutual companies operating in Ontario as compared with 71 during 1919. Assets of these companies, made up of mortgages and debentures, cash on hand and in the bank, premium note residue, etc., now total $13,814,513, an increase of $1,397,667. The net amount at risk with these companies amounts to $409,858,341, against $369,951,356. Total receipts for the year amounted to $1,121,309, against $989,161. Total expenditure, including losses, reached $886,694.

LARGE INCREASE IN BUSINESS OF GREAT-WEST LIFE

Volume of Insurance in Force Almost Doubled Since 1916

COMPANY'S BEST YEAR

Service of Life Insurance to Community Wonderfully Advertised—Death Record Satisfactory

The remarkable increase in the demand for life insurance during the past year is reflected in the annual statement of the Great-West Life Assurance Co., which indicates that the new business issued by this firm has more than doubled as compared with the business of 1916, and that the insurance in force has almost doubled within the same period. New business for the year amounted to $60,703,525, compared with $51,577,899, for the previous year, and $25,575,373 for the year 1916. Insurance in force with this company amounts to $256,850,251, compared with $212,560,276 for 1919, and $133,016,448 for 1916. The new business issued and the gain in business in force were greater than in any previous year.

The assets of the company now amount to $37,382,646, representing a net increase after making due adjustment for bank overdrafts of $5,169,532, compared with a net increase of $3,695,688 for the previous year. The premium received amounted to $8,021,406; the receipts from interest and rents were $1,873,188; the profits realized on securities, $72,841, and the total income amounted to $9,967,435. The income of the company has almost doubled in the past four years.

During the year the amount of mortgage loans was increased by $3,397,562, and the sum of $1,855,598, was added to the company's holdings of bonds and debentures. President A. C. Macdonald points out in the report that the bonds and debentures amounting to $11,186,985 are of a high character, and being for the most part acquired during recent years yield a very satisfactory return. At the present time investments are being confined to farm mortgages for which there is a large demand. Including profits on securities the rate of interest in 1920 was 7.43 per cent. and excluding such profit the rate was 7.20 per cent. as compared with 7.08 per cent. in 1919.

Largest Surplus in History

The death claims incurred in 1920 were $1,180,788, as compared with $1,020,086 in 1919. The increase, according to the report, is not as great as the larger business in force would have justified, and the actual losses were only 49 per cent. of the expected. Surplus earnings for the year amount to $1,388,897, this being the largest surplus in the history of the company.

President Macdonald, in his address to the shareholders of the company, intimated that the very favorable record not only of this company but of life companies generally during the year is due to the fact that the public is becoming more and more convinced of the value of insurance and is placing a steadily increasing degree of confidence in the various companies. He continues as follows:

> The service which life insurance can render to the community has been wonderfully advertised during the past six years, when abnormal death claims to the extent of thirty-six millions have been incurred and paid in Canada in consequence of war and influenza. The companies have emerged from this ordeal without a single failure and, in fact, without one of them being seriously embarrassed.
>
> It will be noticed that while the business of our company issued during 1920 was about sixty millions, the increase in business in force was about forty-four millions. This is a favorable showing but it is a great pity that so many policyholders allow their contracts to lapse. We have always regarded the conservation of old business as equally important with the acquiring of new.

DOMINION MORTGAGE ASSOCIATION

The annual meeting of the Dominion Mortgage Association will be held on May 12 and 13 in Winnipeg. Last year's meeting was held in Toronto early in March.

Travelers Move Office

Announcement is made of the removal of the Toronto branch office of the Travelers Insurance Company, and the Travelers Indemnity Company, Hartford, Connecticut, from the Standard Bank Building to the Temple Building, Bay and Richmond Streets, Toronto.

INVESTMENT
We strongly recommend the purchase of a central hotel building that is especially adapted for converting into an office building. The price is low, the site valuable and the prospects for advancement are certain.
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Western Assurance Company
Fire, Marine, Automobile, Riots, Civil Commotions
Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO,
Assets Over - - -
Losses Paid Since Organization - - - $77,000,000
BOARD OF DIRECTORS: W. B. Meikle, President; Sir John Aird, Bickerdike (Montreal), Lt.-Col. Brock, Alfred Cooper (London, H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John K.C., LL.D., Miller Lash, Geo. A. row, Lt.-Col. the Hon. Frederic Brig.-Gen. Sir Henry Pellatt, C.V. E. R. Wood.

British America Assurance
Fire, Marine, Hail and Automobile Insurance
HEAD OFFICE - - TORO
BOARD OF DIRECTORS: W. Meikle, President and General Manager; Sir John Aird, Robt. Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Miller Lash, Geo. A. Lt.-Col. the Hon. Frederic Brig.-Gen. Sir Henry Pellatt, C.V.O. E. R. Wood.
Assets over - - $4,
Losses Paid Since Organization, over - $47,

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg. Winnipeg, Man.
Men of proven ability would do well to write for particulars of the Agency Contract the Company is prepared to offer. Several District Managers required to cover exclusive good territory at a number of Western points.
Branch Offices:
Saskatoon Calgary Vancouver
WILLIAM SMITH, Managing Director

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Perfectly self-balancing in any position. Operated by a touch of the hand. Smooth in action. No intricate or delicate parts.

Made in one standard size with extensions and attachments to meet all conditions.
Signal Systems, Ltd.
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Winter Sports—
Algonquin Park
THE month of March is one of the best months in the year to enjoy the attractions at Algonquin Park. Winter sports are at their height and the "Highland Inn" is the centre of a happy congenial coterie of guests. Make reservations early as accommodation limited. Further information from any Grand Trunk Agent, or N. T. Clarke, Manager, Highland Algonquin Park, Ont.

SUCCESS and Independence.—Do not depend on what you earn but on what you save. The Standard Bank of Canada can very materially assist you to win success and secure independence. 294

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An absolutely secure bond investment, yielding 6% over a term of years three or four times the period of an ordinary mortgage.
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Security—then Profit
A. ANGUS MACDONALD & CO.
C.P.R. BLDG. TORONTO

The Wabasso Cotton Co. Company

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly Dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of the Company, for the quarter ending March 31st, 1921, payable April 2nd, 1921, to shareholders of record at the close of business on the 15th of March, 1921.

By order of the Board,
JAS. R. RITCHIE,
Secretary-Treasurer.

TOOKE BROS., LIMITED

Preferred Stock Dividend No. 36

NOTICE is hereby given that a Dividend of 1¾% on the Preferred Stock of this Company has been declared for the quarter ending 28th February, 1921, payable on the 15th March, to Shareholders of record on the 28th of February,

By order of the Board.
W. A. BROPHEY,
Acting Secretary.
Montreal, February 22nd, 1921.

Canada Steamship Lines LIMITED.

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) on the Preference Shares of the Capital Stock of Canada Steamship Lines, Limited, has been declared payable April 1, 1921, to shareholders of record March 15, 1921.

By order of the Board,
F. PERCY SMITH,
Secretary.
Montreal, February 21, 1921.

THE CANADA LANDED AND NATIONAL INVESTMENT COMPANY, LIMITED

DIVIDEND NO. 136

NOTICE is hereby given that a DIVIDEND OF TWO AND ONE-HALF PER CENT., (being at the rate of ten per cent. per annum) on the amount paid up on the Capital Stock of this Company, has been declared for the quarter-year to the thirty-first day of March, 1921, and that the same will be payable at the office of the Company, 23 Toronto Street, Toronto, on and after the first day of April, 1921, to Shareholders of record at the close of business on the seventeenth day of March, 1921.

By Order of the Board,
EDWARD SAUNDERS,
Managing Director.
Toronto, 23rd February, 1921.

HOUSING SCHEMES PUT THE BUILDER AT DISADVANTAGE

Unfair To Private Enterprise, As at Present Devised

CITY LOANS AT LOSS

Suggested That City Should Lend Money at Cost to Builders—Strict Business Principles To Be Applied

Government housing schemes, whether they be federal, provincial or municipal, as at present devised, are in unfair competition with private enterprise, and it is doubtful whether they can be justified either on the ground of expediency or in the light of results accomplished. During the past two or three years, when the housing shortage became particularly acute, provision has been made by the federal Government in co-operation with the several provincial Governments to issue loans to local municipalities to be applied to the purposes of house building.

In Ontario a number of municipalities undertook the scheme, and many houses have been erected in this way. In Toronto an elaborate plan had been worked out, and despite much apparent success the original members of the housing commission resigned at the end of the first year's operations on the ground that they could no longer build houses within the specified figure in view of the continually rising costs of materials and labor, notwithstanding the very obvious advantages enjoyed.

Sir James Wood, a member of the original commission, pointed out to THE FINANCIAL POST that in view of his extended experience he did not think present schemes were a satisfactory provision for relieving the housing shortage. The commission had resigned for three reasons, he said: owing to the high cost of materials, because there was no demand for houses and as a protest against what the commissioners considered unfairness to private enterprise by the city competing at a loss. During the first year, he pointed out, the commission was able to build houses under generally favorable conditions, and was able to sell these houses at $4,000, which figure was well under the existing market price for similar houses built by private builders. In the following year, 1920, the cost of labor and materials advanced, and similar houses could no longer be built or sold under $5,000. At this figure there was a practical certainty, he added, that a large number of these houses would be back upon the city within a comparatively short time, as they were sold to men of comparatively modest means, who would have extreme difficulty in making payments during a period of adversity.

Unfair Competition

There was unfair competition with private enterprise, he pointed out, in the fact that the commission secured money from the city for such building at a rate of 5 per cent. for which the city was required to pay 6, and the private builder at least 7 per cent. There was a comparatively small number of citizens favored by this scheme, while the loss suffered by the city in the discrepancy in interest returns received from the commission and what it was required to pay must be borne by the taxpayers at large. He estimated that on 250 houses built the city would have to bear a loss, spread over 20 years, amounting to $168,000.

Sir James declared himself as opposed to the principle of municipal house building in view of the inequitable disposition of the charges of such enterprise, and because of the fact that it interfered with the operations of the private builder, to whom in the end by far the greatest bulk of construction must be left.

Asked for some plan by which the municipality might aid in overcoming the housing shortage, avoiding all the defects and disadvantages of the present system, Sir James declared that a city might very reasonably take into consideration the loaning of money on mortgages to builders. Such money should be loaned at cost, but strict business principles should be applied. No loans should be made for more than was prudent, and where the margin justified second mortgages might even be considered.

A city might very well find money for the purpose of house building if it were not up to the limit of its borrowing power, or it might get special legislation to permit borrowing money for this purpose. By this means the work of construction would be left in the hands of the legitimate builders, who would be assured of a fair supply of funds.

MUST MAINTAIN OFFICE

By Resident Representative.

REGINA.—Although it is registered in Saskatchewan, the Ontario Wind Engine and Pump Co., of Toronto, lost an action in a district court here because it was shown that the company did not maintain an office in the province.

MORTGAGE PROFITS A SMALL MARGIN

Operations of Loaning Institutions Generally Misunderstood by Public

By Resident Representative.

HALIFAX.—A writer in a local newspaper in Halifax animadverts on the rate charged by some of the loan companies to those who wish to build houses, but because of the interest charges cannot undertake the work. The writer speaks of the companies getting their money at 3½ and 4 per cent. and loaning it at 8 and 8½. The fact is that no company charges as high as 8½ per cent. and none of them get their money as low even as 4½ per cent. The minimum rate is 5 per cent., and oftener it is 5½. The problem for some months has not been the rate of interest, but the difficulty of getting money at all. The loan companies in this city have refused as many requests for funds, even on a basis of fifty-fifty, as they have accepted, simply for the reason that they had not the funds to advance. The hope is that in the approaching building season there may be money in greater supply, and then there is no doubt that competition will keep the rate at a reasonable basis.

LITTLE MOVEMENT IN REAL ESTATE AT PRESENT TIME

Activity Repressed by Adverse Business Conditions and High Costs

In common with practically every business conducted in Canada, the real estate business is now passing through a period of adjustment during which transactions have been reduced to a comparatively small volume. Indications are not wanting, however, which point to the probability of a fair revival of activity later in the year. With little progress being made at the present time in relieving the housing shortage which became so acute last year in many Canadian cities it would appear that building could not be delayed much longer, and with building costs settling toward lower levels, slowly it is true, general conditions would seem to be shaping themselves upon a more favorable basis.

R. B. Rice, president of the Toronto Real Estate Board, outlined conditions and prospects for Toronto, and his conclusions are applicable to the majority of the larger centres in the Dominion. He pointed out that while the volume of transactions in real estate at the present time was considerably less than for the same period a year ago, yet conditions were normal for this time of year. Last year exceptional conditions prevailed at this time arising out of the inauguration of a business revival on an extended scale. This year conditions are reversed and with depression in business extending for a number of months past there has been little incentive to a broadscale movement in real estate. With the opening months of spring, however, Mr. Rice declared that he expected a revival, not a boom, but a healthy activity, which would sustain prices within reasonable limits. There was every prospect that there would also be considerable building under way. While the prices of all materials that entered into construction were on the decline, it was quite improbable that they would ever reach pre-war levels. There was a general realization of this fact among prospective builders, and for that reason it was apparent that there was little advantage to be derived from holding off.

The housing shortage could not be overcome through government or municipal schemes of house building. A plan of lending money at less than cost was unsound and was doomed to failure. The problem of building must be left to private interests, but their work would be expedited if the government authorities and business interests would co-operate in the matter of supplying loans at reasonable rates of interest. A scheme whereby the local governments would make loans to builders at cost would be a practical aid, and would enable private building corporations to undertake construction on a large scale and so materially improve the situation.

LARGER PROFITS FOR KING EDWARD HOTEL COMPANY

Net Profits at $138,897 Equivalent to 14 P. C. of Capital Stock

BRIGHT OUTLOOK

Increase in Business for Opening Months of Year—Rapid Headway on Extension—Bills Payable Wiped Out

There was no indication of the depression that has retarded business generally in the annual statement submitted to the shareholders of the King Edward Hotel Company, Ltd., at the annual meeting held in Toronto this week. The report which covered the operations of the company for the twelve-month period ending December 31 last was satisfactory in every way, and denoted that the business of the hotel had been considerably extended during the year. The directors and shareholders, too were optimistic of a continuance of this prosperity, even on a greater scale than in the past. The fact that business for the opening months of the year is larger than for the corresponding period last year, that operating costs are on the decline, and that several large conventions are booked for Toronto this year, are regarded as omens auguring another successful year.

The operations for the year produced a profit of $284,790, or over 28 per cent. on the capital stock, this figure being arrived at after providing for all costs of operation, taxes, salaries, maintenance and other expenses. After payment of interest and setting aside the depreciation reserve there remained applicable to dividends the sum of $138,897, or nearly fourteen per cent. on the capital stock, which compares with $126,111 for the previous year or slightly more than 12½ per cent. on capital. During the year two dividends of 5 per cent. were paid on the common stock, aggregating $100,000. After dividends the balance of profit and loss carried forward to surplus was $38,897. The surplus after provision for all liabilities has increased from $61,595 at the end of the previous year, to $100,493.

The balance sheet indicates still further improvement. The reserve for depreciation has increased from $95,115 to $152,007. The bills payable have been entirely wiped out. The accounts payable have been reduced from $107,833 at the end of the previous year to $78,368. The fixed inventories have been increased from $288,200 to $334,733.

Ahead of Schedule

President Frank A. Dudley, in the report, points out that the results of operation were handicapped to some extent by improvements which have been conducted continuously in the hotel. Referring to the addition which is being constructed by the King Edward Construction Co., he pointed out that work was proceeding ahead of schedule, and it was hoped that the addition would be ready for occupation by the last week in August or the first week in September. The foundation and steel erection have been completed and the floors and important partitions are practically complete. Practically three-quarters of the brick work is in place. This is an unprecedented record of construction, he adds, the excellent progress being in part due to the very favorable weather experienced. He continued as follows:

While the year 1920 was recognized as a year of business activity which afforded to hotels a very large volume of business, and in the year 1921, so far, business has been greatly curtailed in many lines, and increased transportation rates have materially lessened travel, yet notwithstanding these facts the King Edward Hotel did a volume of business in January, 1921, of $155,884, as against a volume of $135,338 in January of the preceding year, with a net profit for January, 1921 of $20,546 against $15,382 in the corresponding month of the previous year, which shows convincingly the continued increase in both gross and net resulting from operation.

While the past year has not been one especially favorable to the financing of projects of such magnitude, I am able to state that the first mortgage amounting to $1,300,000 has been fully settled and placed with the Metropolitan Life Insurance Company, and advances to the extent of $250,000 have been made thereon, and there is still available to be received for the completion of construction and equipment, $1,050,000. I am also able to state that as a result of recent negotiations the remainder of the preferred stock of the King Edward Construction Co., has been sold on terms favorable to the company.

Manager George H. O'Neill, who was given due credit for the favorable showing made by the company, stated that during the year the hotel provided accommodation for some 170,000 guests, and during the same time 1,000,000 meals were served, exclusive of those provided for the 500 employees of the company.

EXECUTOR, TRUSTEE, AGENT

Crown Trust Company, acting as Executor, Trustee and Agent, transacts a general trust company business, offering a variety of services.

Confidential discussions between our officers and parties interested in any phase of trust company business are invited without obligation or charge.

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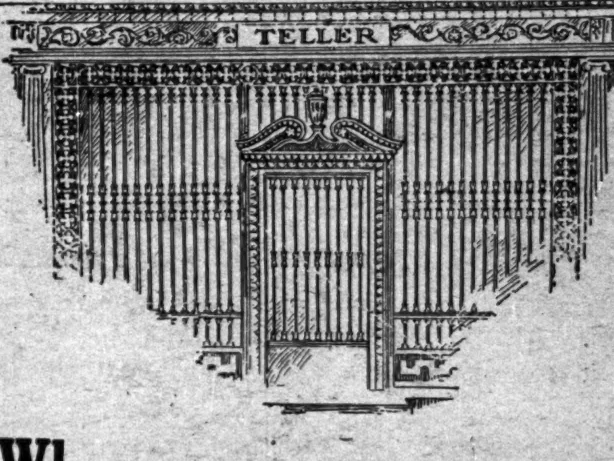

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however small, with The Bank of Toronto, you are assured of the careful, friendly service of responsible men trained in the business of banking and capable of serving your interests efficiently.

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Savings Accounts are given special attention at every Branch.

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THE BANK OF TORONTO
Capital $5,000,000
We Give Service
Reserves $6,986,354
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THOS. F. HOW, General Manager

The Monthly Cheque
That Never Fails

How the Money was Lost

"You see I had only a few thousand dollars left after the estate was settled—

and my brother borrowed some to help him along of course that went and then—

I simply had to help father with his business, he was so worried—

and I thought it best to invest something in real estate at once. Well, that failed—

and, really, if it were not for the monthly income cheque from the Canada Life I don't know how I should be getting along now."

It is all so simple and effective!

Just a few dollars set aside regularly, and the Canada Life will guarantee to your home a continuous monthly income.

What a relief to know that no matter what may happen, the monthly cheque that never fails, issued regularly by the Canada Life, will come to your home!

Your present Life Insurance will no doubt "clear the mortgage," pay off the obligations of your estate, and leave something for your family, but

Consider This:

In addition to a "lump sum" of money, you should provide a definite income that cannot fail.

A weekly or monthly income is the natural thing for most people.

A woman can keep a family together on even a small income, provided it is regular.

Financial problems should not be thrust upon a woman who is not used to business deals.

The hands of unscrupulous men are always outstretched for money held by the unwary.

The Monthly Income Plan

You will be surprised to learn what a reasonable proposition can be made to you; how only a few dollars saved and set aside from your regular earnings can be multiplied into a substantial income for your Beneficiary.

Ask for Particulars

Canada Life
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FILL UP — CUT OFF — MAIL TODAY
Canada Life Assurance Company,
Dear Sir—Without obligation on my part, you may send me particulars of your Monthly Income Plan.
Name
Address
Born day of 18
Beneficiary
Born day of 18

HERDT WOULD ELECTRIFY THE PRESENT LINES

Expert Before Hydro Inquiry Picks Holes in Radial Scheme

INTERESTING FIGURES

An Analysis Showing Weakness of Many Estimates Upon Which Beck Plans Have Been Built

When the Sutherland Royal Commission resumed its sittings this week important technical evidence was given by Dr. L. A. Herdt, E.E., D.Sc., a professor at McGill University, Montreal. The opinions of Dr. Herdt were summarized in a typewritten report of over forty pages made after a study of all the evidence given before the commission by the Hydro officials. His conclusions, boiled down, are that if fast interurban lines are required in the territory between Bowmanville and St. Catharines and from Hamilton to Galt, Guelph and Elmira, the present nationally owned railway lines should be used as a basis for electrification, instead of new lines being built to parallel them and take away their traffic.

He told the commission that he saw no reason to justify the construction of a new hydro radial between Bowmanville and Toronto when there are now two nationally owned railways operating in that district. The proper thing to do, if high speed electric roads are demanded, was to electrify one of these roads and have the Hydro trains come into the present union station rather than into other terminals. The same would apply between Toronto and St. Catharines. There was no engineering or operating obstacle to such a proposition so far as he knew.

Dealing specifically with the Hydro engineers' estimates of earnings, operation, etc., for the lines which the Hydro Commission has projected there are paragraphs in his report which give an idea of his analysis. They are herewith quoted:

> "The Toronto, Port Credit, St. Catharines division, the Toronto Suburban division, and the Niagara Central division form a system, [illegible] dependent on the others. The approval of interested municipalities for the construction of the Toronto-St. Catharines line was obtained on the understanding that these other two would be acquired or built (Gaby's evidence, pgs. 910, 911)."
>
> "It is also stated in the evidence that if these lines were not built together and in conjunction with the Hamilton, Guelph and Elmira division, the estimated revenue of these lines would have to be reduced to some extent."
>
> "The municipalities were advised when voting on the Toronto-St. Catharines line that there would be a connection between St. Catharines and the Niagara border."

It may be said here, in connection with this point, that no definite arrangement, according to the evidence, has been made by the Hydro for such a connection. Before it could be carried out the municipalities in the Niagara district would have to vote on by-laws to take over the N., S. & T. Railway and in view of the fact that this road already operates throughout that district without any direct liability to those municipalities the question arises as to whether they could be induced to assume the obligations required to take over the road. Unless it were acquired a new line would have to be built, of course, to get to the Niagara frontier.

Again quoting from Dr. Herdt's evidence:

> "No arrangement has been made by the Hydro with the Toronto civic system for a connection. This would in itself involve a considerable outlay for which nothing has been provided in the hydro's estimates."
>
> "The individual estimates disclose important departures from conservative principles, notably in the matter of the probable operating costs which are estimated at a considerably lower figure than the actual cost of operation on similar properties would warrant."

Dr. Herdt's report gives figures as to the earnings of both United States and Ontario electric roads.

Rochester-Syracuse, 83 miles; population served, 521,570; total revenue per mile, $12,071.

Chicago, Northwestern & Milwaukee, 84 miles; population served, 4,350,219; total revenue per mile, $34,000.

Washington, Baltimore & Annapolis, 62 miles; population served, 1,204,500; total revenue per mile, $34,647.

Lake Shore Electric, 178 miles; population served, $1,220,000; total revenue per mile, $13,646.

Detroit, Monroe & Toledo, 80 miles; population served, 1,268,500; revenue per mile, $25,000.

Aurora, Elgin & Chicago, 73 miles; population served, 2,868,000; total revenue per mile, $23,000.

Of the above roads the best showing is made by the Washington, Baltimore and Annapolis Railway, which is a double track route with a tributary population of well over a million. The road is comparable in some respects to the proposed line between Toronto and Hamilton but the population of the terminus cities, Hamilton and Toronto, and tributary population in 1925 will probably not exceed 850,000 and yet the earnings per mile of route for 1925 on the Hydro line are estimated at $43,400, which is 24 per cent. in excess of actual receipts of the well-established United States road.

"There are no roads in the United States," says Dr. Herdt, "that show a revenue from passenger traffic per mile route of $23,000 and additional freight and miscellaneous income of $20,000 per mile. W. S. Murray in his evidence could not cite any interurban road in the United States that earns a revenue of $43,000 per mile."

Referring to the Hydro's estimate of such high earnings Dr. Herdt remarks: "It would seem that such optimism does not come within the bounds of reason."

The London, Port Stanley, occupying a strategic position, shows an earning for year ending June, 1920, of $20,000 per mile.

The Galt, Preston & Hespeler Rly. shows total earnings of $17,761 per mile.

The other Canadian roads show gross revenues not exceeding $16,000 per mile.

Touching on the theory advanced by the Hydro that cheap electric power will be a considerable factor in making for low cost of operation of their proposed lines Dr. Herdt shows that while there would be an advantage on this score it is relatively a small factor in the total cost of operation.

The U.S. Treasury expects $500,000,000 in income and profits taxes on March 15, next instalment date. This is nearly $300,000,000 less than amount collected during similar period last year.

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STEAM AND HYDRO-ELECTRIC POWER DEVELOPMENT
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BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY
VANCOUVER AND VICTORIA

CANNOT LEGISLATE FOR DOMINION CO.'S

Power of Provinces Defined by Privy Council—Appeal Upheld

In the consolidated appeals concerning companies incorporated under the Dominion Companies Act being subject to provincial legislation as a condition of their exercising corporate powers in the provinces of Canada the Privy Council has delivered judgment, and allows the appeal, declaring the provisions of the Companies Acts of Ontario, Manitoba and Saskatchewan, which applied to these companies, were ultra vires. The judgment states that these companies are not precluded by reason of not having been licensed or registered under these acts from conducting business in these provinces.

It was found that the power of the provinces to legislate for incorporation of companies was limited to companies with provincial objects. While the British North America Act conveys no express power to incorporate companies with powers to carry on business in every province such power as is covered by section 91 is conferred exclusively upon the Dominion, and enables the Canadian parliament to incorporate companies and restrict the provinces from interfering with such companies conducting business where they choose.

If the condition of taking licenses had been introduced simply to obtain payment of a direct tax for provincial purposes, or for securing the observance of some restrictions concerning contracts, which had to be observed by the public generally, it is pointed out that the judges would have been prepared to regard the condition as one within the power of the province to impose, but even then it would have been requisite to see that the provincial legislature was not under that guise really doing something else such as imposing indirect taxation.

NORWEGIAN CREDIT FOR B. A. NICKEL

Will Permit Corporation To Meet All Immediate Liabilities

The British American Nickel Corporation reports the successful conclusion of financial arrangements with the State Bank of Norway, which will permit their meeting all immediate liabilities in a satisfactory manner. Mr. Brown, the treasurer, explained that it was intended to settle in cash all claims of $1,000 and under and that adjustment of accounts over that amount would be offered at 50 per cent. cash and the balance notes secured by the deposit of bonds of the corporation.

A meeting of bond and debenture-holders is to be called, at which it will be proposed that the present security issues be rearranged and the outstanding bonds and debentures called in and "Income Bonds" issued in place. In this readjustment the present securities must naturally waive precedence in order to permit prior right being given to the security upon which the State Bank of Norway has made the advance.

The new capital now provided will, the officials of the corporation state, be sufficient to discharge the obligations which have been pressing, and will enable it to wait for the improvement of the nickel market which is expected during 1921. The successful conclusion of these negotiations is a matter of gratification, not only to those financially interested in this corporation, but to all others who approve of the self-contained process of development work which the corporation has followed. From mine to the metal ingot the whole process is carried on in Canada, a system in marked contrast to other industries.

OCCIDENTAL FIRE

Balance Sheet Indicates Further Strengthening of Position

Further improvement in the financial position of the Occidental Fire Insurance Co., with head office in Winnipeg, is revealed by the balance sheet as at December 31 last, recently issued. The company's total assets have increased by considerably more than $100,000 during the year and now stand at $828,316 compared with $705,199 at the end of the previous year. Total liabilities to the public amount to $319,799 compared with $281,396. Investments in debentures make up the larger portion of the company's assets and total $520,856, compared with $432,906. Loans on mortgages amount to $81,483, and interest accrued, $7,531.

NATIONAL BREWERIES

Record Earnings Are Expected For 1920

By Resident Representative.

MONTREAL.—The annual meeting of the shareholders of National Breweries, Limited, will be held Wednesday, March 16, at noon to receive the report for the year 1920. It is no secret that the earnings of the company have been very largely increased and the output has been almost doubled during the past few months. Most of the cost of this has been paid out of the large earnings of the past two years and the surplus that has accumulated. For some time past an increase in the dividend has been looked for, but the company was still in an uncertain position as to the future relations to the licensing of the sale of wine and beer and of strong liquors in this province. Now that this matter has been settled there is a general opinion that an increase of dividend will not be much longer delayed.

NORCROSS WILL STILL HEAD STEAMSHIPS

New Appointment Will Not Affect Relation With Company

The announcement from London to the effect that J. W. Norcross, president of Canada Steamship Lines, Limited, had been received by the King on the occasion of his appointment to represent Canada on the foreign commercial commission, which is inquiring into the rehabilitation of world trade, has aroused much interest in financial circles in Canada. In view of the fact that the annual meeting of the company will be held shortly there has been considerable speculation whether Mr. Norcross would return for the meeting, or whether his new apopintment would interfere with his position as president of the company. W. E. Burke, a director of the company, has made the following statement on this subject:

> In so far as Mr. Norcross' appointment to represent Canada on the Foreign Commercial Commission is concerned, this will not in any way interfere with his position of President of the Canada Steamship Lines, and there is absolutely no foundation for the rumor circulated in Montreal that he intends to reside in England, or that he will sever his connection with [illegible]
>
> Mr. Norcross has concluded several arrangements with British and European marine and commercial interests that should materially benefit Steamships. Definite plans in connection with these arrangements will be announced on Mr. Norcross' return.

INTERCOLONIAL COAL FACED DIFFICULTIES

Falling Off in Earnings Due to Fire Menace in the Mines

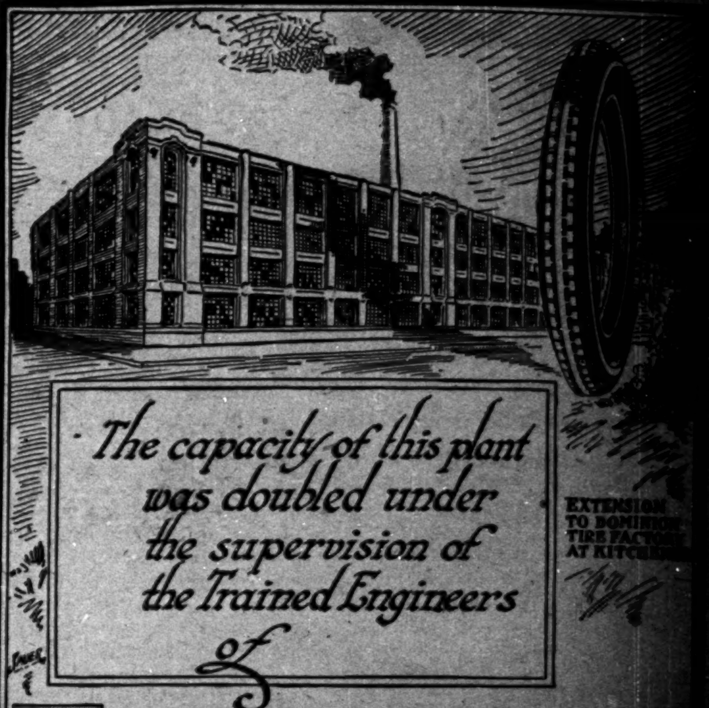
By Resident Representative.

MONTREAL.—In his report to the shareholders of the Intercolonial Coal Mining Co., Limited, Wednesday afternoon, the president, Charles Fergie, said:

> The earnings for 1920 show a considerable falling off from those of the previous year. This is due to the loss of output following the walling off of the then heaviest producing section of the No. 2 Mine, owing to fire indications, at the end of February, and the heavy expenditure entailed on this account. Apart from this, a satisfactory year's operating was experienced.
>
> Owing to the above cause, production shows a falling off from the previous year's figures of 24,142 tons, the output being 161,275 tons, compared with 185,417 tons in 1919.
>
> The demand was brisk practically throughout the whole year, and, during the greater portion of it, was in excess of the supply. Towards the end of the year, however, it was beginning to slacken off considerably, with indications of duller markets, owing to general business conditions.
>
> The clay plant, which had been practically closed down since the previous September, commenced full operations again in May, a good demand continuing for fireclay products till close to the end of the year, when the market once more fell away, owing to dullness in the steel trade.
>
> It is difficult, at the present time, to forecast for the coming year, owing to the depressed condition of business generally, but the mines are in good shape to meet the demands of the market, which will become more active again as general industrial conditions improve.

Profit and Loss Account.

	1920	1919
Bal. from prev. year..	$254,830	$243,867
Profit on oper. for year	112,408	152,499
	$367,238	$396,366
Deduct—		
Sinking Fund—		
On 1st mort. bonds..	$ 6,000	$ 6,000
Interest—		
On 1st mort. bonds..	6,379	8,636
Allow. for depre. and depletion of areas.	34,127	46,141
Provision for inc. tax	7,020	10,377
Pref. stock divid....	15,253	22,879
Com. stock divid....	35,000	47,500
Total	$103,780	$141,535
Bal. at Credit Acct. to be carried forw. to 1921	$263,458	$254,830


The capacity of this plant was doubled under the supervision of the Trained Engineers of
EXTENSION
TO DOMINION
TIRE FACTO
AT KITCHE

LOCKWOOD, GREENE
& CO. OF CANADA LIMITED
285 Beaver Hall Hill, Montreal.
ENGINEERING SERVICE FOR INDUSTRY

Interest Earnings
and
Savings in Mortality
are the two main sources of profit to policy-holders.
THE DOMINION LIFE
ASSURANCE COMPANY
has earned an average rate of interest of 7.41% during the last 15 years, and in that period its average mortality rate has been only 52% of the actuarial expectation.
Established 1889
Head Office - Waterloo, Ont.

THE ROYAL BANK OF CANADA
Head Office
MONTREAL
Statement to the
Dominion Government (Condensed)
January 31, 1921

LIABILITIES	
Capital Paid Up	$ 20,214,700.00
Reserve Fund	20,174,395.00
Undivided Profits	546,938.38
Notes in Circulation	36,257,734.71
Deposits	435,203,450.74
Due to other Banks	11,856,786.00
Bills Payable (Acceptances by London Branch)	4,667,639.25
Acceptances under Letters of Credit	17,454,357.83
	$546,376,061.82
ASSETS	
Cash on Hand and in Banks	$130,812,607.80
Deposit in the Central Gold Reserves	17,000,000.00
Government and Municipal Securities	33,415,545.50
Railway and other Bonds, Debentures and Stocks	14,599,690.83
Call Loans in Canada	13,401,798.07
Call Loans elsewhere than in Canada	38,497,198.66
	$247,726,851.65
Loans and Discounts	269,679,549.01
Liabilities of Customers under Letters of Credit as per contra	17,454,357.83
Bank Premises	9,680,350.31
Real Estate other than Bank Premises	932,654.12
Mortgages on Real Estate sold by the Bank	42,290.01
Deposit with Dominion Government for Security of Note Circulation	860,000.00
	$546,376,061.82

725 BRANCHES IN CANADA, NEWFOUNDLAND, WEST INDIES, CENTRAL and SOUTH AMERICA. Also LONDON, NEW YORK and BARCELONA.
Paris Auxiliary—THE ROYAL BANK OF CANADA (France)

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CUT BRIER
1/12 lb. Package 15c
1/2 lb. Tin . 85c
More Tobacco for the Money

MACDONALD'S
Cut Brier
MACDONALD'S
Cut Brier

BUYING IN THE UNITED STATES NOW CURTAILED

Reduction of $23,000,000 in Purchases During January

TRADE CONTRACTION

Both Exports and Imports Were Down But a Favorable Balance of $8,500,000 Shown

By Resident Representative.

OTTAWA.—Our January trade was the smallest it has been for the past three years for the first month of the year, both exports and imports showing a pronounced falling-off. The imports were over $30,000,000 less than January, 1920, and the exports about $37,000,000 less. Very much the same thing has happened to the trade of the United States for the month, although favorable balances were evident in both countries, our balance being over $8,500,000.

Exports for the month to the United States were about $8,500,000 less than last January, and to the United Kingdom $9,000,000 less. Imports from the United States were nearly $23,000,000 less and from the United Kingdom over $5,000,000 less. Other countries showing a pronounced variation in exports were Belgium, about $2,000,000 less; France, $7,500,000; Greece, over $4,000,000, and Italy $1,500,000; with other countries there were small variations either way. In imports there were declines from sixteen out of twenty-two countries.

Just how the export and import trade has dropped off in various classes of products is shown by a comparison of the figures for the twelve months ending January 31, 1920, and 1921, and for the month of January alone. In imports for the twelve months there were increases in 43 articles and decreases in only 10. That the restriction in imports began to operate most powerfully in January is shown by the fact that for that month the position was just reversed, there being increases in 11 articles of import and decreases in 42. In exports the trend is even more apparent. For the twelve months out of 40 classes of exports there were increases in 20 and decreases in 20; while for the month of January there were decreases in every line of export except three.

The Articles Affected

Among the articles of import most affected according to the January trade statement were breadstuffs, which declined nearly $2,000,000; flax, hemp and jute, $1,500,000; furs, $2,000,000; hides and skins, $2,000,000; leather, $1,000,000; rubber, $800,000; silk, nearly $4,000,000; tobacco, nearly $1,000,000; vehicles, $1,300,000; wool, $6,000,000. There were important increases in imports in bituminous coal, $5,500,000; sugar and molasses, $1,250,000, while imports of iron and steel were just about the same as at the end of December. The principal decreases in exports were fish, $1,500,000; wheat, $3,300,000; hides and skins, $2,000,000; leather, $2,000,000; bacon and ham, $3,500,000; iron and steel, nearly $2,000,000; automobiles, $1,000,000; unmanufactured wood, $3,000,000; pulp, $2,500,000. There were increases in printing paper, $2,000,000, and flour, $2,500,000.

Agricultural products have bulked very large in the trade of the past twelve months, accounting for no less than $550,000,000 out of a total of $1,235,000,000. Exports to other parts of the Empire decreased about $165,000,000, while imports from other parts of the Empire increased over $138,000,000. Our total exports to the British Empire during the twelve months decreased from $587,000,000 to $422,000,000; our total imports from the Empire increased from $141,000,000 to $280,000,000, the chief increase being from Great Britain of from $97,000,00 to $226,000,000.

Summary of the Trade of Canada.

	Twelve months ending January 1919.	1920.	1921.
Imports for Consumption—			
Dutiable goods	$ 519,811,560	$ 630,826,112	$ 875,809,939
Free goods	403,309,488	339,953,098	429,783,956
Total imports, mdse.	923,121,048	970,779,210	1,305,593,895
Duty collected	156,826,758	174,484,645	195,008,502
Exports			
Canadian	1,219,778,556	1,242,585,893	1,235,621,584
Foreign	49,539,778	48,427,294	27,599,817
Total exports, mdse	1,269,318,344	1,291,013,187	1,263,221,401
Imports by Countries—			
United Kingdom	73,888,904	97,396,449	226,248,605
Australia	4,966,943	1,476,735	849,152
British East Indies	16,844,315	14,101,823	16,704,975
British Guiana	5,707,719	7,891,640	6,938,632
British South Africa	1,318,194	718,258	199,121
British West Indies	8,910,782	10,851,118	15,733,223
Hong Kong	2,248,744	1,830,143	4,781,646
Newfoundland	3,366,942	2,015,201	3,069,845
New Zealand	7,758,214	3,607,762	4,287,379
Other British Empire	1,207,278	1,276,248	1,231,802
Argentine Republic	1,636,582	2,399,821	3,294,687
Belgium	6,748	592,319	4,372,900
Brazil	1,165,207	1,735,284	2,339,159
China	1,953,899	1,195,649	1,874,937
Cuba	2,528,246	12,102,429	34,011,497
France	3,598,951	7,983,040	20,058,641
Greece	18,927	552,757	950,745
Italy	619,579	802,231	1,810,111
Japan	13,213,215	13,314,778	12,674,928
Netherlands	562,854	1,812,075	3,857,468
United States	753,146,209	754,652,222	898,984,675
Other foreign countries	18,452,596	32,471,228	41,319,767
Exports by Countries— (Canadian Produce only)			
United Kingdom	567,040,790	510,042,555	332,063,720
Australia	11,459,918	13,420,447	17,446,913
British East Indies	3,010,280	6,865,727	6,535,550
British Guiana	2,381,358	3,009,116	3,690,875
British South Africa	9,140,076	11,158,805	14,221,064
British West Indies	9,325,916	11,178,852	13,318,245
Hong Kong	987,836	976,513	2,345,742
Newfoundland	11,110,689	15,885,684	17,270,934
New Zealand	4,649,910	8,123,565	11,099,850
Other British Empire	2,601,760	7,613,792	4,603,031
Argentine Republic	2,787,845	7,443,223	7,470,770
Belgium	709,616	22,251,886	45,741,230
Brazil	3,938,833	2,140,260	3,490,587
China	2,917,267	5,272,285	6,393,511
Cuba	5,393,736	5,544,366	7,217,942
France	99,893,912	66,543,741	29,126,017
Greece	9,150	22,844,294	25,869,139
Italy	11,557,254	17,115,794	54,567,390
Japan	10,855,334	7,639,535	7,040,910
Netherlands	564,225	4,975,809	19,950,930
United States	445,337,307	456,683,481	551,522,444
Other Foreign Countries	14,105,554	35,864,843	34,534,770

C.P.R. NET EARNNGS HIGHER FOR JANUARY

First Month of 1921 Runs A Little Ahead But Operating Costs Eat up 95 Per Cent.

By Resident Representative.

MONTREAL.—The Canadian Pacific Railway Company has turned into the new year with a slight increase in net earnings, $641,424, as compared with $585,941, one year ago. This increase is the result of higher rates, but even so, it required an advance of $550,860 in gross earnings to produce a gain of $55,483 in net earnings. The increase in gross from $13,914,569 to $14,465,430 is only about 4 per cent., so that the volume of business the road secured for the month fell far behind that of one year ago, when much lower rates were in effect. This condition only reflects a slowing-up in business generally. The net earnings are very low, compared with those of 1916 and 1917, for instance, when they exceeded $2,000,000 each, on gross in the latter case that only slightly exceeded $8,500,000. According to the January figures the operating expenses ran nearly 95 per cent. of the gross earnings.

Below are given the net earnings and operating expenses for the month of January in each year since the war period, with details of gross earnings, expenses and net for January of 1920 and 1921:

Jan.	Net.	Expenses.
1921	$ 641,424	$13,824,005
1920	585,941	13,328,628
1919	1,553,512	11,474,816
1918	1,167,993	9,621,824
1917	2,431,478	7,726,829
1916	2,090,408	6,498,417
1915	1,140,233	4,968,793
1914	1,000,174	6,916,042

	Jan., 1921	Jan., 1920	Inc.
Gross	$14,465,430	$13,914,569	$550,860
Exp.	13,824,005	13,328,628	495,377
Net	$ 641,424	$ 585,941	$ 55,483

The French Government abrogates state control of coal traffic which has been in effect five years and places it on open market basis. Special permits for importation of coal are no longer necessary.

ABITIBI IN NEW FINANCING OF 8 P.C. $4,000,000 BONDS

Chicago Firm Underwrites 10-Year Consolidated Issue

NEEDS $22,370,000

To Cover Bonds, Preferred and Common Dividends—Extensions Ready First of May

By Resident Representative.

MONTREAL.—One by one the uncertainities overhanging the market are being wiped off the sheet. The first notable contribution in this respect this week was the announcement that Peabody, Houghteling & Co., of Chicago and New York, had underwritten a new issue of bonds of Abitibi Power and Paper Company, Limited. These are 8 per cent., 10-year, consolidated mortgage sinking fund bonds, and are a part of a total authorized issue of $14,000,000, the balance, according to the official statement, "being reserved for the refunding of prior lien bonds and for additions to its working capital, under strict provision of issue." The price paid for these bonds was not announced, nor the coming issue price. It is taken for granted that the decision will be to offer by far the larger part, if not all, in the United States. The Chicago house has been closely associated with the Abitibi Company for many years, and Alexander Smith, one of the partners, is a vice-president of the company, and generally considered one of the two principal shareholders.

With this new issue the bonds outstanding would amount to $12,107,500, in addition to which is $1,000,000 of preferred and common stock, as follows:

Bonds and Stock

6% 1st mortgage bonds	$ 4,107,500
6% general mort. bonds	4,000,000
8% cons. mort. bonds	4,000,000
7% preferred, cum.	1,000,000
Total	$13,107,500

Common stock, no par value, 250,000 shares.

The interest and dividend requirements are as follows:

Interest and Dividends

1st mortgage bonds	$ 246,450
General mort. bonds	240,000
Consol. mort. bonds	320,000
Preferred	70,000
Common	1,500,000
	$2,376,450

Surplus on 1920 Earnings

This total the net earnings of 1919 would not have been sufficient to meet, but those of 1920 would have left a very considerable surplus, amounting, it is understood, to almost $1,000,000.

Extensions of Paper Production

The president, F. H. Anson, announced that work on the company's extensions was likely to be finished by May 1. This refers to three new newsprint machines, with a combined capacity of about 230 tons daily, and a new wrapping machine. At the present time the company's capacity is about 250 tons of news daily and it is running about 75 per cent. of this capacity. Whether the demand for newsprint will require the entire present capacity and that of the new machines by that time is, at present, a matter for conjecture.

Following the announcement of the new financing the common stock made a slight upward demonstration, but this was followed by a reaction, and the pendulum, in face of some uncertainty as to dividend prospects, swung back and forth within fairly narrow limits.

Imperial Oil, Limited

NOTICE OF DIVIDEND

NOTICE is hereby given that a Dividend of seventy-five cents (75c) per share in Canadian funds has been declared by the Directors of Imperial Oil, Limited, and that the same will be payable in respect of shares specified in any Share Warrant of the Company within three days after the Coupon Serial Number Seven of such Share Warrant has been presented and delivered to:

THE ROYAL BANK OF CANADA,
Toronto, Ontario.

or at the office of:

IMPERIAL OIL, LIMITED,
56 Church Street,
Toronto, Ontario,

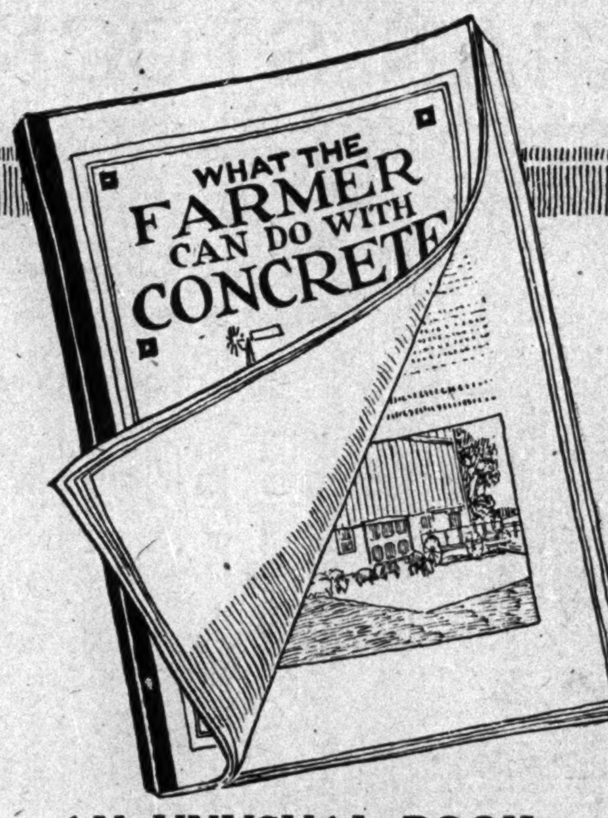
such presentation and delivery to be made on or after the first day of March, 1921.

Payment to Shareholders of record and fully paid up at the close of business on the twenty-fourth day of February, 1921, (and whose shares are represented by Share Certificates) will be made on or after the first day of March, 1921.

The books of the Company for the transfer of shares will be closed from the close of business on the twenty-fourth day of February, 1921, to the close of business on the first day of March, 1921.

By Order of the Board,
T. C. McCOBB,
Secretary.

56 Church Street,
TORONTO, Ontario.
February 24th, 1921.



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It tells all about the improvements that can be built of Concrete—permanent, fire-proof, water-proof, vermin-proof, repair-proof. You will likely want more than one copy. In writing, state how many you can use and we will send you the desired number free of charge, or will forward copies direct to those clients who, you feel, should be interested in concrete construction.

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Inquiries are invited.

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INTERNATIONAL BANKING, SHIPPING, TRAVEL AND FOREIGN TRADE

CANADIAN STOCKS

Quotations of listed Securities on Montreal and Toronto Stock Exchanges, with prices at closing on Mar. 1. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active.

Capitalization Preferred	Capitalization Common	Capitalization Bonds and Debentures	Div. Rate	Yield to Feb. 22	COMPANY	Range 1920 High	Range 1920 Low	Range 1921 to Feb. 22 High	Range 1921 to Feb. 22 Low	Close Mar. 1 Ask	Close Mar. 1 Bid	Week ending Mar. 1 High	Week ending Mar. 1 Low	Week ending Mar. 1 Close	Sales
...	5 000 000	6 160 600	6	15.38	Abitibi Power & Paper com	87	49¾	58	38½	37¾	37⅜	40	33	36¾	27,377
1.000 000	...	...	7	7.86	Abitibi Power & Paper pref	99	85	89	86¼	...	...	...	...	...	...
...	6 594 300	...	...	...	Amer. Cyanamid com	36	33	...	...	...	...	...	...	...	...
994 200	...	...	6	9.67	Amer. Cyanamid pref	65	62	62	...	...	...	...	...	...	...
...	3 500 000	1 473 666	...	...	Ames-Holden com	137½	10	25	20	...	...	...	...	...	...
2,500 000	...	...	7	...	Ames-Holden pref	114¾	27	45½	30	30	29⅞	30	29½	30	248
...	614 660	537 442	...	...	Amer. Salesbook com	7½	5	...	...	7	6¾	6½	6½	6½	25
3,073 300	...	...	7+1¾	9.33	Amer. Salesbook pref	83⅛	70	77	72	75	74	75	75	75	94
...	3 000 000	2 940 000	6+1¾	8.00	Asbestos Corp. com	103	64	82½	75	75	74	75	74¾	75	273
4,000 000	...	...	8	8.88	Asbestos Corp. pref	108	83	95	88½	...	...	96	90	96	235
...	3 500 000	1 345 000	10	...	Atlantic Sugar com	164	16	33¼	20¾	32	31	31½	30	31	2,505
2,500 000	...	...	7	...	Atlantic Sugar pref	184	24½	34	...	...	...	...	...	...	...
8,483 500	27 450 000	54 063 875	...	...	Barcelona Traction	9¾	3¾	5⅞	4	5⅜	5⅛	5⅜	5¼	5⅜	595
...	22 336 300	11 149 000	8	7.51	Bell Telephone	111¾	100	112	99¼	106½	106	107	104	105	170
...	4 282 200	...	6	13.33	B. C. Fishing	66	34¾	46	38	...	43	43¼	40¼	42	357
10000 000	106 566 300	77 192 132	...	...	Brazilian Traction com	51¼	28	36	30⅜	33¾	33	33⅞	32¾	33	2,295
...	1,278 700	17 234	10	9.43	Burt. F. N. com	110	88	109	101⅜	106	104	106	104½	104½	62
1,446 500	...	...	7	6.60	Burt. F. N. pref	110	90	108	96½	...	...	...	...	...	...
2,000 000	7 000 000	2 375 000	7	13.46	Brompton Paper	85	42¼	57¼	49½	36⅛	36⅜	40¾	34	36⅜	27,006
...	2 500 000	1 146 872	...	...	Canada Bread com	32½	19	22	19¾	20	19	19	19	19	200
1 250 000	...	...	7	8.04	Canada Bread pref	86½	84	88	85	...	...	...	...	...	...
...	4 975 000	7 757 822	...	...	Can. Car & Fdry com	74	29	43	30	...	30⅛	31	30	31	65
7,500 000	...	...	7	9.72	Can Car & Frdy. pref	109	67	79	64	...	70	71	70	70	266
...	13,500 000	6 509 573	6	10.34	Canada Cement com	75	54¼	67¾	56⅛	62	62⅛	61	59	60⅛	1,288
10 500 000	...	...	7	7.69	Canada Cement pref	100	88½	94	90	...	91	91⅛	91	91	36
...	1 733 500	399 000	7	11.11	Can. Converters	80	51	65	59	60	58	60	60	60	100
...	2 805 500	9 500 000	...	...	Can. Cons Rubber com	100	87¾	...	...	...	...	...	...	...	...
3 000 000	...	...	7	7.00	Can. Cons. Rubber pref	95	92	...	...	...	...	...	...	...	...
...	2 715 500	4 567 105	8	10.12	Can. Cottons com	100	71	80	72	80	...	78	78	78	83
3 661 500	...	...	6	8.10	Can Cottons pref	83	66	74	70	...	...	...	...	...	...
...	960 000	173 200	12	...	Can. Forgings, com	257	75	...	...	...	...	...	...	...	...
960 000	...	...	7	7.60	Can. Forgings, pref	92	91	...	...	...	...	...	...	...	...
...	8 000 000	...	8	7.47	Can. Gen. Electric com	109	93¾	108	94	111	110	110¼	106	109½	1,153
2 000 000	...	...	7	7.00	Can. Gen. Electric pref	104	90	100¼	90	100⅛	...	100¼	100	100	90
...	2 000 000	1 500 000	8	9.52	Can. Locomotive com	100	80	86	82	87	85	84	84	84	25
1,500 000	...	...	7	8.13	Can. Locomotive pref	95	80	89	83	86	85	85½	82½	85	45
80,681 921	260 000 000	271 934 882	10	7.46	Can. Pacific Railway	142	125	141	129¼	133	132	135	131	131	480
...	800 000	369 000	8	8.98	Can Salt	147	85	89	87½	...	...	...	...	...	...
...	12 000 000	7 979 619	7	...	Can. Steamships com	80¼	34	50⅛	27⅞	...	30	31	28½	30	14,616
12 500 000	...	...	7	10.52	Can. Steamships pref	85	60½	74	65	68	67½	68¼	66½	67½	278
...	1 200 000	454 500	...	...	Carriage Fact. com	49⅛	7½	20	12	...	...	...	...	...	...
1 200 800	...	...	...	...	Carriage Fact. pref	90½	72¾	65¾	...	...	...	...	...	...	...
...	565 000	...	...	...	City Dairy com	62	50	60	55	...	...	...	...	...	...
700 000	...	...	7	8.75	City Dairy pref	99	85	82	80	...	80	80	80	80	2
...	5 360 700	...	10	7.14	Consumers Gas	150	125	140	124¾	...	139	140	139½	140	80
...	6 212 666	...	6	12.00	Crow's Nest Coal	59⅞	40	55	45	...	...	...	...	...	...
...	15 000 000	35 757 500	8	8.88	Detroit United Rly	113¾	79¼	96	88	87	85	88½	86	86	201
...	6 500 000	...	8	9.41	Dominion Bridge	115	69	92	76	85	83	85	83	83	56
...	2 796 300	1 719 410	...	...	Dom. Canners com	66¼	26	45	34	33	31½	37	30¼	31	1,090
2 290 600	...	...	7	8.75	Dom. Canners pref	90	79	80½	78	...	...	80	80	80	10
3 000 000	15 000 000	5 864 500	7	8.97	Dominion Coal pref	97½	70	78½	63½	...	...	79	79	79	5
...	4 250 000	1 683 363	6	10.00	Dominion Glass com	69¾	57	64	56	60	59	60	56⅛	56½	393
2 600 000	...	...	7	8.43	Dominion Glass pref	91	82¾	83	77½	...	80	82½	82	82¾	15
5 000 000	25 000 000	13 434 313	7	9.27	Dominion Iron pref	92	65	76	68	75¾	75	74	74	74	23
7 000 000	37 100 000	20 450 682	6	13.33	Dominion Steel Corp	82½	39	49	41⅛	46½	45¾	48½	45	45⅛	901
...	1 000 000	...	6	7.14	Dom. Telegraph	91¾	80	85	81	84	81	84	84	84	6
...	5 000 000	4 767 500	10	9.34	Dom. Textile com	146½	96½	111	104	111	108¼	112	107¾	112	574
1 940 600	...	...	7	7.21	Dom. Textile pref	105	89	96⅛	89⅛	...	96½	96	96	96	60
1 500 000	3 500 000	3 500 000	4	...	Duluth Superior	28	12	14	12¾	15	14⅛	15	14	15	135
...	2 250 500	950 000	...	...	Goodwins com	35	26	...	...	...	...	...	...	...	...
1 750 000	...	...	7	9.33	Goodwins pref	95	75	...	...	...	...	...	...	...	...
...	1 000 000	225 000	...	...	Holt Renfrew com	70	62	...	...	...	...	...	...	...	...
1,000,000	...	...	7	8.75	Holt Renfrew pref	85	80	...	...	...	...	...	...	...	...
...	2 500,000	800,000	8	8.42	Howard Smith Paper com	167	74¾	110	95	92⅛	92	95	87½	90	355
1,500,000	...	...	8	8.69	Howard Smith Paper pref	107½	91	92¼	90	92	...	92	92	92	20
7,289,500	...	...	6	8.57	Illinois Traction pref	70	64	71¾	65	...	...	69	69	69	100
500,000	6,267,005	...	25c.	...	International Petroleum	82	20	...	...	...	...	...	...	...	...
...	2,198,018	1,902,500	8	8.88	Kaministiquia	97	83½	93	90⅛	...	...	...	...	...	...
...	2,800,000	900,000	12	7.89	Lake of the Woods com	220	130	155	135½	150	148	152	149	149	85
1,500,000	...	...	7	7.10	Lake of the Woods pref	112	93⅛	98⅛	94	...	...	...	...	...	...
...	9,600,000	565,778	6	7.14	Laurentide Paper	125	81	95	83¼	84	83⅛	85⅜	82	82	3,767
1,300,000	1,750,000	934,900	8	12.12	Lyall Construction	99	35	75	47½	...	66	67	65	67	227
2,388,600	3,000,000	...	...	...	Macdonald A. com	44¼	19	25	20	...	...	...	...	...	...
...	41,380,400	...	6	7.77	Mackay com	79⅛	67¼	80	69	76	75¼	76⅛	76	76	410
50,000,000	...	...	4	6.25	Mackay pref	74	61	65	63	...	63	64	63⅛	63⅛	237
...	2,500,000	...	12	8.27	Maple Leaf Mill com	196	133	146	138	145	144	145	144	144	30
2,930,000	...	...	7	7.14	Maple Leaf Mill pref	104	92	98¼	93	...	98⅛	98½	98¼	98¼	12
...	1,275,000	...	...	...	Monarch Knitting com	75	60	...	...	...	...	...	...	...	...
750,000	...	...	7	8.75	Monarch Knitting pef.	90	85	80	76⅛	...	80	80	80	80	1
...	2,949,600	...	6	8.33	Montreal Cottons com	87	78	75	70	...	74	75	73		176
2,949,600	...	...	7	7.60	Montreal Cottons pref	105	90	95	90	...	...	...	...	...	...
...	64,126,100	...	5	6.17	Montreal L.H. & P. cons	90	76	86	81	83	82¾	83	82¼	83	736
...	2,000,000	...	8+¼	7.14	Montreal Telegraph	124	110	112	110	...	...	114	114	114	25
...	3,861,070	36,608,153	10	7.40	Montreal Tramways	155	125	140	125	140	135¼	135½	135½	135¼	25
...	2,254,300	1,580,000	4	8.00	National Breweries com	70	39¼	56¼	48½	50	49⅞	51	49	49	3,490
2,775,000	...	...	7	7.36	National Breweries pref	97	93	...	...	...	...	...	...	...	...
...	2,000,000	...	...	...	Nat. Steel Car com	12	3	5½	4	...	...	...	...	...	...
1,500,000	...	...	7	...	Nat. Steel Car pref	41½	21	28	22	...	25	26	22	26	130
...	15,000,000	11,102,437	5	11.36	N. S. Steel & Coal com	80	33½	14	37	44	42	43⅛	43⅛	43¼	100
1,000,000	...	...	8	10.00	N. S. Steel & Coal pref	107	75	80	...	...	...	88	80	80	12
...	2,500,000	2,350,000	12	6.00	Ogilvie Milling com	280	175	214	180	...	200	205	200	205	68
2,000,000	...	...	7	6.93	Ogilvie Milling pref	105⅛	97	101	99	101	99½	101	101	101	5
...	750,000	538,200	8	12.12	Ont. Steel Products com	89	50	70	58	...	...	...	...	...	...
750,000	...	...	7	7.95	Ont. Steel Products pref	89½	89	88	...	...	...	...	...	...	...
...	3,500,000	2,125,000	6	8.57	Ottawa L. H. & P.	81	70	72½	70	...	...	70	70	70	15
...	650,000	...	2	5.71	Pacific Burt. com	42	30¼	35	34	...	...	...	...	...	...
650,000	...	...	7	8.97	Pacific Burt. pref	85	76	79	76	79	77	78	78	78	24
...	2,150,600	2,000,000	8	7.92	Penmans Ltd. com	148½	93	102	95	110	105	103	100	103	68
1,075,000	...	...	6	7.40	Penmans Ltd. pref	91½	74	81¾	78	...	...	...	...	...	...
...	749,500	...	...	...	Port Hope Sanitary c	27	25	...	...	...	...	...	...	...	...
400,000	...	...	7	...	Port Hope Sanitary pre	42	30¼	...	...	...	...	...	...	...	...
...	3,000,000	3,837,666	4	...	Porto Rico Rlys. com	50	28⅛	46	37	44	...	45	43⅛	45	65
1,000,000	...	...	7	9.33	Porto Rico Rlys. pref	79	60	78	64	73	...	74	72½	72¼	35
...	8,534,200	5,372,098	8	3.22	Price Bros.	385	250	253	248	...	...	...	...	...	...
...	2,481,300	95,000	6+1	6.15	Provincial Paper com	132	80½	102	87¾	102	94	97	95½	95½	55
1,700,000	...	...	7	7.95	Provincial Paper pref	100	85	87½	...	87¾	87½	88¼	87¾	87¾	30
...	9,999,500	11,045,000	...	...	Que. Railway L.H.	36¾	18	28¾	22	29	28¾	29½	26⅛	28⅞	5,748
...	4,500,000	5,909,400	10	7.69	Riordon Paper com	226	126⅞	160	124½	...	129	129	126	126¾	300
1,500,000	...	...	7	8.97	Riordon Paper pref	101½	83	80	78	81	80	75	75	75	8
...	1,500,000	502,000	...	...	Rogers Wm. com	71	52	55	53	...	53	55	53	55	30
1,122,800	...	...	7+1¾	8.04	Rogers Wm. pref	102	80	87	75	...	...	...	...	...	...
...	800,000	...	7	9.33	Russell Motor com	89	70	...	...	...	...	...	...	...	...
1,200,000	...	...	7	12.72	Russell Motor pref	98	40	65	46	...	...	...	...	...	...
...	1,500,000	478,868	...	...	Sawyer-Massey com	20	13	19	13	15	13	13	13	13	15
1,500,000	...	...	...	...	Sawyer-Massey pref	67¼	35	54	45	52	51	52	51	51	27
...	20,000,000	9,353,261	7	6.60	Shawinigan W & P.	119½	97½	109⅛	104¼	106	...	106⅛	105	106	373
...	4 000,000	2,226,006	6	7.50	Sherwin Williams com	119	75	88	72	...	80	85	85	85	15
3,425,000	...	...	7	8.33	Sherwin Williams pref	100	85¾	91½	87	...	...	94	94	94	40
...	8,750,000	...	8	6.25	Shredded Wheat com	142	130¼	130	125	130	128	128	128	128	17
1,250,000	...	...	6	6.12	Shredded Wheat pref	98	98	...	...	...	...	...	...	...	...
...	8,000,000	10,332,113	7	9.58	Spanish River Pulp com	129	75	89¼	71	73	72	74½	70⅛	72	4,951
5,699,100	...	...	7	8.23	Spanish River Pulp pref	149	82	95	84¾	85	83½	86⅛	83	84	1,739
...	11,500,000	8,562,225	7	11.29	Steel of Canada com	88½	54¾	64	59	62	60¾	62	61	61	428
6,496,300	...	...	7	7.52	Steel of Canada pref	01½	85¾	93½	86½	...	92	93	92	92	109
...	1,200,000	160,590	6+1	8.57	St. Lawrence Flour com	139	59	75½	61½	...	...	69	68	68	30
575,000	...	...	7	7.95	St. Lawrence Flour pref	98½	92	90	85	...	...	...	...	...	...
...	7,894,000	1,440,000	...	...	St. Maurice Paper	170	123	120	95	96	95	98	95	98	212
...	650,000	...	...	...	Tooke Bros. com	86	67	57	50	...	...	...	...	...	...
985,000	...	...	7	8.97	Tooke Bros. pref	91	83	78	75	...	...	...	...	...	...
...	12,000,000	2,502,306	...	...	Toronto Railway	65	35	74	59½	70	69⅛	69¾	67½	69	880
...	2,500 000	...	4	8.00	Tuckett Tobacco com	57½	41	52	41	51	49	50	49⅝	50	25
2 000,000	...	...	7	8.43	Tuckett Tobacco pref	93	81¼	83	82	86	...	81	81	81	3
3,000,000	22,000,000	20,213,000	...	...	Twin City com	49	31½	47	43⅛	47	46	46⅞	46⅛	46¼	35
...	1,750 000	891 000	4	8.00	Wabasso Cotton	135	48	50	42½	...	...	48	46	48	170
...	5,000,000	3,302,600	6	7.22	Wayagamack	150¼	71	89	75	75	74	76	72½	72½	790
...	2,449,588	1,371,557	8+15	6.66	West. Can. Flour	145	105	...	...	...	...	...	...	...	...
...	9,000,000	10,130,000	...	...	Winnipeg Rly	38	26	48	36	45½	44	47⅜	43⅛	44	1,522
...	1,500,000	600,000	½	4.13	Windsor Hotel	100	70	145	120	...	...	...	...	...	...
...	1,718,600	410,000	8	8.00	Woods Mfg. com	110	93½	...	...	...	...	...	...	...	...
1 546.500	...	...	7	8.53	Woods Mfg. pref	86	78¾	...	...	...	...	...	...	...	...

BANKS

Capital	Reserve	Div. Rate	Yield to Feb. 22	BANKS	Range 1920 High	Range 1920 Low	Range 1921 to Feb. 22 High	Range 1921 to Feb. 22 Low	Close Mar. 1 Ask	Close Mar. 1 Bid	Week Ending Mar. 1 High	Week Ending Mar. 1 Low	Week Ending Mar. 1 Close	Sales
15,000,000	15,000,000	12	6.38	Commerce	199½	173¼	200	179¾	188½	187½	189	187½	189	251
6,000,000	7,000,000	12+1	6.00	Dominion	206	190	204	191½	200	...	200	199¾	199¼	13
4,000,000	4,200,000	12+½	6.64	Hamilton	194	168	185	169¼	180	...	180¼	180	180	32
4,000,000	4,000,000	10	6.62	Hochelaga	158½	151	153	151	...	...	156	156	156	25
7,000,000	7,500 000	12	6.41	Imperial	200	184	190	185	187	...	187	186	187	38
10,029,622	8,400,000	12	6.85	Merchants	203	158	182	168	177	..	175	174	174	79
4,000,000	5,000,000	12	6 66	Molsons	194	169	180	168½	...	...	180	180	180	43
22,000,000	22,000,000	12	5.74	Montreal	220½	185	212	195½	...	206	208	207½	207½	165
2,000,000	2,300,000	12	7.05	Nationale	174	162¾	174	165	...	...	...	...	...	...
9,700,000	18,000,000	16	6.15	Nova Scotia	273	243	265	249	260	...	260	259¾	260	22
20,134,010	20,134,010	12	5.97	Royal	233½	189½	208	193½	202	201	202	200	200½	201
3,500,000	4,500,000	14	7.00	Standard	222	200	205	198	202	200	201	200	201	21
5,000,000	6,000,000	12	6.28	Toronto	197	179	192	182	...	...	...	...	...	...
8,000,000	6,000,000	10	6.28	Union	161	139	160¼	146	158	154	158	157	157	15

LOAN, TRUST AND INSURANCE

LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale
Canada Landed	10	10	150¼	110	...	133⅛	135
Canada Permanent	10	10	178	157	183	176	180
Central Canada	10	10	...	...	...	...	...
Col. Investment pref	6	6	82	67	...	77	78
Dominion Savings	5	5	72	72	...	70	72
Great West. Per.	5	...	...	...	...	...	89¼
Hamilton Provident	9	9	146	145	145	140	140
Huron & Erie	6+1	6+¼	113½	110	112	...	112½
Landed Banking	8	8	142	141	140	137	137
London and Canadian	9	9	126	110	120	117	119½

LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale
Montreal Loan	12	...	165	155	...	165	155
National Trust	11	12	230	198	195	190	198
Ontario Loan	10	10+¼	160	155	...	160	160
Real Estate Loan	7	7	95	92	...	...	92
Toronto General Trusts	10+1	12	211	196½	200	195	200
Toronto Mortgage	9	9	135	129½	...	132	132½
Toronto Savings	10	10	.....	...	...	...	185
Union Trust	7		...	...	...	100	100
Confederation Life	20		310	300	...	...	...

MINING STOCK QUOTATIONS.

Week ending March 1.

	High	Low	Close	Sales
Adanac	1⅞	1¾	1¾	4000
Boston	10	..	..	110
Atlas	22	..	..	1000
Bailey	3½	3¼	3¼	5000
Beaver	39	38	38½	17400
Cham. Fer.	8	..	..	4500
Cons. Smelt.	19	18	19	366
Coniagas	2.10	2.00	2.00	300
Crown Res.	18	..	..	3880
Dome Ext.	58	..	..	240
Dome Lake*	3⅛	3	3⅛	1300
Dome Mines	18.50	17.75	18.00	1338
Gold Reef	4⅜	4	4	37500
Hargraves	1½	1¼	1½	9000
Hollinger	6.70	6.54	6.70	4512
Hunton	10	..	..	2500
Keora	18½	15¾	16	25700
Kirk. Lake.	51	48	48	7600
La Rose	27	25½	25½	2300
Lake Shore	1.18	1.16	1.16	1200
McKinley	30	27	27	1250
McIntyre	2.00	1.96	1.96	5526
Min. Corp.	1.11	..	..	100
Moneta	11	..	..	1500
Newray	9	..	..	5720
Nipissing	9.15	9.00	9.00	1215
Ophir	1½	1⅛	1¼	8000
Porc. Crown	23	21¾	21¾	3500
Preston	3¾	3⅜	3¾	10000
Schumacher	25½	24	24	7500
Teck-Hughes	10½	10	10½	11500
Timiskaming	23	..	..	25
Thom-Krist.	7¼	7	7¼	8000
Trethewey	17	16½	16¾	3150
V. N. T.	22½	19½	19½	50500
West Dome.	9¼	7	7⅜	66400
West Tree.	5	..	..	10250
Skead	40	20	40	4500

OTTAWA LIGHT, HEAT & POWER CO., LIMITED

Balance Sheet, December 31st, 1920

ASSETS

Current accounts receivable	$ 489,083.00
Merchandise and stores	198,538.00
Property, plant and equipment	8,263,164.00
Supplies on hand	142,092.00
	$9,092,877.00

LIABILITIES

Bonds of Associated Co's	$2,825,000.00
Capital Stock of Associated Co's	5,000,000.00
Reserve Account	770,000.00
Profit and Loss	128,000.00
	$9,092,877.00

DIRECTORS ELECTED

Mr. T. Ahearn	Mr. W. C. Pitfield
Mr. Warren Y. Soper	Mr. H. H. Horsey
Mr. Abner Kingman	Mr. Thos. Workman
Mr. Geo. F. Henderson, K.C.	Mr. W. Lyle Reid
Dr. Wm. Manuel	Mr. A. A. Dion

Sec.-Treas., Mr. D. R. Street

THE BELL TELEPHONE COMPANY OF CANADA

Comparative Statement of Earnings and Expenses for the Years 1919 and 1920

	1919	1920	Increase
Telephone Revenue	$14,149,119.97	$16,513,384.44	$2,364,264.47
Operation Expense	6,735,310.40	9,106,078.22	2,370,767.82
Current Maintenance	2,507,791.78	3,569,162.87	1,061,371.09
Depreciation	2,316,200.00	2,885,400.00	569,200.00
Taxes	654,602.50	734,700.00	80,097.50
Total Telephone Expenses	12,213,904.68	16,295,341.09	4,081,436.41
Net Telephone Earnings	1,935,215.29	218,043.35	1,717,171.94*
Sundry Net Earnings	218,108.94	663,479.53	445,370.59
Total Net Earnings	2,153,324.23	881,522.88	1,271,801.35*
Deduct Interest	670,208.22	913,483.97	243,275.75
Balance	1,483,116.01	31,961.09†	1,515,077.10*
Deduct Dividends 8%	1,440,000.00	1,800,010.00‡	360,010.00
	Credit.	Debit	
Balance Carried to Surplus	43,116.01	1,831,971.09	1,875,087.10*

†Deficit.
*Decrease.
‡1920 Dividends $1,800,010.00 charged to Surplus previous to 1917.

Balance Sheet, December 31, 1920

ASSETS		LIABILITIES	
Real Estate	$ 5,165,860.48	Capital Stock Issued	$22,657,000.00
Telephone Plant, etc.	51,729,192.44	(5%-$11,149,000.00)..	
Furniture, Tools and Supplies	2,311,708.40	Bonds 1925 ...(7%- 5,500,000.00)..	16,649,000.00
Cash	186,888.50	Accounts Payable	918,606.26
Bills and Accounts Receivable	1,682,601.32	Accrued Liabilities not due	720,879.78
Investments	2,843,327.87	Due to Bank	837,572.10
		Unearned Revenue	21,524.24
		Employees' Benefit Fund	500,000.00
		Surplus and Reserves	21,614,999.63
	$63,919,579.01		$63,919,579.01

The President to the Shareholders

In his address to Shareholders at the Annual Meeting, February 24th, 1921, President L. B. McFarlane said:—

"Our orders for new telephone facilities, both local and long distance, have been greater than any previous year, and our outstanding difficulty has been to meet the enormous demand for service. We were not able to satisfy all requests, but had a net gain of 38,885 subscribers' stations, or 11½ per cent., being the greatest yearly gain in the history of the Company.

Comparative Financial Result

"The gross receipts show an increase of $2,809,635, but owing to the mounting costs the expenses for the year including interest exceeded the revenue, as will be seen from the financial report.

"The dividends declared during the year have been paid out of surplus of profits accumulated prior to 1st of January, 1917.

Applications for Revised Rates

"The very lengthy delay in obtaining a rate decision —a period of over two years—and our consequent inability to properly finance in the meantime for needed expansion, have crippled our efforts to properly serve the public. Early in 1918 it was found that the greatly increased cost of operation made it essential that there should be a substantial and immediate increase in our rates. Application was therefore made to the Board of Railway Commissioners for Canada in October, 1918, for an increase of 20%. In May, 1919, the Commissioners, after testimony, ordered temporary relief by allowing a ten per cent. increase, being only one-half of the sum asked for, and it proved entirely inadequate to meet even the so-called emergency.

"The Board retained the conduct of the case, and requested us to furnish detailed monthly returns for the succeeding year. After the expiration of that period, on August 5th, 1920, we renewed in more detail our application, and asked for a general readjustment of rates.

"This application is still before the Commissioners for decision. Our case was ably presented, and we are hopeful of receiving a favorable decision.

"Until a decision on the Rate Case is given by the Commission, it will only be possible to finance for future capital needs at prohibitive cost. Your Board has felt that this is not in the interest of subscribers or shareholders, and have, therefore, suspended expenditure under the 1921 Budget, hoping that rates may be authorized whereby we will earn a fair return, insure a profit which will compare favorably with the return from other investments of a similar character and thereby attract capital at reasonable rates.

Bonds Issued.

"In the month of April $5,500,000 of Bonds were offered and sold to the highest bidders at 93.75% in New York funds, which netted us 102.2% in Canadian funds. These Bonds bear interest at the rate of 7%, and fall due at the same date as our outstanding Bonds, namely, 1st April, 1925.

Employees Buy Stock.

"Another financial transaction of special interest was the Stock Purchase Plan for Employees, which was approved by your Board and became effective in August. By this Plan employees are given the right to purchase at par one share for each $300 or fraction thereof of the annual rate of pay which they were receiving at 1st of May, but not exceeding twenty shares, they agreeing to pay for the same by deductions from wages. Interest on the unpaid balance is charged at the rate of 4% per annum, and the account is credited with an amount equal to dividends declared during the purchase period.

"The offer was taken advantage of by 2,271 employees for an amount of 8,548 shares, an average of 3.76 shares each.

Progress in Telephone Art

"During the past year many important improvements were made to our plant, and we are now in a position to give universal Long Distance service to our subscribers. Even at our smaller offices subscribers have been connected to very distant points, both in Canada and the United States, and those at our larger offices demand long haul connections daily. For example, Montreal, Toronto, Ottawa and Hamilton subscribers have had satisfactory commercial conversations with cities in Florida, California, Manitoba, British Columbia and the Maritime Provinces.

"Our engineers closely followed the development of the art generally, but specially of the Multiplex System —or Wired Wireless as it is commonly called—by which a number of messages are sent simultaneously over one circuit, and this system will be used in our plant as soon as the necessity for extension arises. Its adoption is purely a question of first cost and annual charges. The Multiplex is as yet expensive, both in first cost and annual charges.

"Great advances have been made by Wireless Telephony, but in its present state it is not as reliable as the wire system; and if wires can be run and maintained between two given points, it is more efficient and economical to use the wire system.

"Wireless or Radio transmission is now used as complementary to the wired telephone systems, and as further improvements in the apparatus are effected its use will be extended as auxiliary to our present service."

Statistics

	At Dec. 31, 1920	Inc. during Year
Number of Company Stations	376,361	38,885
Number of Connecting and Miscellaneous Stations	113,212	6,981
Total Stations	489,573	45,866
Number of Miles of Wire		1,040,986
Number of Central Offices		418
Number of Employees, 31st December, 1920		12,132
Average Daily Connections 1920—Exchange		2,899,522
Average Daily Connections 1920—Long Distance		29,458

The Hamilton Provident and Loan Corporation

The Forty-Ninth General Annual Meeting of the Shareholders was held at the Corporation's Head Office, Hamilton, on February 28th.

The net profits for the year, after deducting all interest due and accrued on borrowed capital, cost of management, and all other charges, amount to $181,231.42.

Which has been apportioned as follows:

Two half-yearly Dividends at the rate of nine per cent. per annum	$108,000.00
Government, Business and War Taxes	19,337.02
Added to Reserve Fund	50,000.00
Credited to Contingent Fund	3,894.40
	$181,231.42

ASSETS

Office Premises in Hamilton and Brandon		$ 93,000.00
Real Estate held for sale		17,470.00
Mortgages—		
Principal	$4,054,450.82	
Interest	146,474.53	
		4,200,925.35
Loans on Corporation's own stock		8,372.30
Dominion of Canada and Province of Ontario securities owned	$ 184,498.00	
Canadian Municipalities and School District Debentures owned	108,501.70	
		292,999.70
Cash in Chartered Banks	$ 181,555.66	
Cash on hand	5,781.81	
		187,337.47
		$4,800,104.82

LIABILITIES

TO THE PUBLIC—		
Debenture Stock	$ 372,786.66	
Sterling Debentures	520,245.93	
Currency Debentures	350,594.30	
Interest accrued on Debentures	14,685.25	
Savings Deposits	944,665.36	
Provision for Income War Tax	16,207.41	
Balance due Borrowers	11,332.21	
		$2,230,517.12
TO THE SHAREHOLDERS—		
Capital subscribed $2,000,000.00		
Capital fully paid	$1,000,000.00	
Capital partly paid	200,000.00	
Reserve Fund	1,300,000.00	
Contingent Fund	15,587.70	
Dividend (payable 3rd January, 1921)	54,000.00	
		2,569,587.70
		$4,800,104.82

GEORGE HOPE,
President.

D. M. CAMERON,
General Manager.

The Directors were re-elected as follows: Messrs. George Hope, Joseph J. Greene, Henry L. Roberts, W. A. Wood, Stanley Mills and William Hendrie.

STERLING TRUST ASSETS HAVE BEEN AGAIN ADJUSTED

Effort to Separate Affairs From Standard Reliance

EARNINGS ARE DOWN

Much Below Figures of Last Year But an Improvement Over Those Shown For 1919

The effect of the publicity attached to the liquidation of the Standard Reliance Mortgage Corporation on the affairs of the Sterling Trusts Corporation, with which it was closely associated, is referred to by President W. H. Wardrope in presenting the annual statement of the latter company. He also points out that the directors have been working to complete separation of the two institutions, and it is understood that the adjournment of the annual meeting this week to the 31st of March, without any business being transacted, was for the purpose of presenting some definite proposals in this connection.

The balance sheet indicates the effect of the influences referred to by the president, showing that the estates, trust and agency accounts have contracted from $7,070,068 to $3,066,290 during the year, and this latter figure may be compared with $10,896,204 two years ago. Comparative figures of the company's position in recent years may be summarized as follows:

	Capital Account	Guar. Trust Account	Estates, Trusts Agencies
1920	$530,881	$588,652	$3,066,290
1919	574,859	587,307	7,070,068
1918	598,108	563,641	10,896,204
1917	519,603	603,520	3,491,822
1916	463,329	481,642	2,927,325

In connection with the adjustment of the estates, trust and agency accounts the items have been changed as follows:

Estates, Trust and Agency, 1919.

Mortgages and Bonds	$1,558,235
Real Estate and Original Assets	5,421,489
Cash	90,342
	$7,070,068

Estates, Trust and Agency, 1920.

Book Value Assets for Realization	$3,029,200
Cash	37,089
	$3,066,290

Further, in connection with this adjustment, attention may be directed to the statement of the auditors that "our audit did not include the examination of assets aggregating $3,029,200, which are shown under the caption "estates, trust and agency at book value," and that the "mortgages and agreements are for the most part in arrears as to principal and interest."

Earnings Reduced

Net earnings for the year 1920 were $34,410, compared with $62,196 in the previous year. This, with the balance of $8,279 carried forward from 1919, made a total at the credit of profit and loss of $42,689. Continuing the adjustment process, the sum of $21,368 was appropriated in respect of loss on operation of Great Northern Land Company, Limited, for 1920, leaving a balance forward for 1921 of $21,320. Following are comparative figures of earnings for the past three years:

	1920	1919	1918
Net earn.	$34,410	$ 62,197	$24,004
Bal. forward	8,279	8,002	8,998
Trans. from res.	....	100,000	.....
	$42,689	$170,199	$33,002
Reserve	....	......	25,000
Assets writ. down	...	161,920	.....
Appropriation	*21,369	......	.....
Balance	21,320	8,279	8,002
	$42,689	$170,199	$33,002

*Appropriation in respect of loss on operation of Great Northern Land Co. for 1920.

HILLCREST COLLIERIES HIGHER EARNINGS

Improved Portion of Western Mining Corporation With 5 Per Cent. Increase—More Working Capital

By Resident Representative.

MONTREAL.—The annual statement of Hillcrest Collieries, Limited, for the year 1920 shows a very substantial increase in net profits, these rising from $112,641 in 1919 to $168,704, an advance of 50 per cent. After deductions there remained available for common dividends $126,025, as compared with $72,581 one year ago or 12.6 per cent. on the $1,000,000 outstanding compared with 7.25 per cent. in 1919; 6.02 per cent. in 1918, and 2.55 per cent. three years ago. During the year the common shareholders received $70,000, at a rate of 7 per cent., compared with $45,000 in 1919. The surplus for the year was $41,000. The profit and loss figures for the past three years compare thus:

Profit and Loss.

	1920	1919	1918
Net profit	$168,704	$112,641	$110,295
Miscell. rev.	22,969	25,588	15,642
Total net	$191,674	$138,230	$125,937
Bond int.	16,250	16,250	16,250
Pref. divs.	49,399	49,399	49,399
Balance	$126,025	$ 72,581	$ 60,288
Com. divs.	70,000	45,000	20,000
Balance	$ 56,025	$ 27,581	$ 40,288
Contingent	15,000	15,000	15,000
Surplus	$ 41,025	$ 12,581	$ 25,288
Prev. bal.	219,051	206,469	181,181
P. & L. Bal.	$260,077	$219,051	$206,469

The balance sheet shows an improved working capital position, an increase in net from what was almost a vanishing point of $22 one year ago, to $84,680. The bank loan of $45,741 was wiped out, and cash increased nearly $58,000. The properties are taken in at $1,886,444, compared with $1,922,829.

GENERAL SALES & ENGINEERING CO.
G. A. McLEOD, C.A. W. H. NOONAN, C.E.
Manufacturers' Agents Engineers Commission Merchants
Builders and Construction Supplies Exporters
ROY BUILDING - HALIFAX, N.S.
A Neighborly Service for a Moderate Charge

THE MONTREAL COTTONS LIMITED

OPERATING THE MONTREAL COTTON CO.

DECEMBER 31st, 1920

THE ANNUAL REPORT of the Directors to the Shareholders, at this, the Forty-eighth Annual General Meeting, held at their Office in Montreal, Room 504, Eastern Townships Bank Building, 263 St. James Street, on Wednesday, the twenty-third day of February, nineteen hundred and twenty-one, at the hour of twelve o'clock noon.

GENTLEMEN,

Your Directors are pleased to submit to the Shareholders their Annual Report of the operation of the Company for the year ending December 31st, nineteen hundred and twenty.

This year was one of great commercial upheaval—labour was clamouring for higher wages; raw cotton, coal and supplies soared to prices unknown, with the trade demanding more goods; this continued for seven months, and then, without warning, business suffered an immediate collapse.

Supplies, especially raw cotton, had a phenomenal decline.

Your Company having to retain the good-will of the trade had to accept cancels and meet the prices of goods being dumped into Canada; having the raw cotton on hand, bought at high prices to meet these contracts, you will recognize that the profit for the year suffered heavily; nevertheless, we are pleased to place before you a statement to-day which we consider satisfactory.

The regular dividend on Preferred Stock has been paid. The Directors felt that the earnings justified an advance on the Common Stock and it was placed on a 6 per cent. basis. War taxes for 1918 and 1919 have been paid and show an excess of $72,993.86 over what was reserved.

Reserves have been provided for cotton bought which has declined in value since its purchase. The works have been fully maintained and are in a high state of efficiency.

The General Manager and all the officials of the Company have discharged their duties faithfully.

The Annual Audited Statement of the Company's affairs and the Auditor's Report will now be read.

All the Directors retire and are eligible for re-election.

The whole respectfully submitted,

S. H. EWING,
President.

No. 1 MANUFACTURING ACCOUNT.

Raw Cotton, Wages, Supplies, and Chemics.	$6,760,916.64	Cloth Sales	$8,804,458.61
Salaries, Incidentals and General	135,683.10	Cloth and in process	604,604.84
Repairs, Fuel, Taxes, Interest, Insurance and Maintenance	962,530.51		$9,409,063.45
Depreciation	180,000.00	Cloth and in process, 31st December, 1919	640,629.68
Gross Profits	729,303.52		
	$8,768,433.77		$8,768,433.77

No. 2 PROFIT AND LOSS ACCOUNT.

Bond Interest	$ 30,788.67	Manufacturing Profits	$ 729,303.52
Patriotic	125.00	Rents, etc.	8,073.88
Government tax paid in excess of amount reserved 1918 and 1919	72,993.86	Victory Coupons	71,437.08
Reserve on raw cotton and in transit	87,655.00		
Dividends	390,000.00		
Balance forward	227,251.95		
	$ 808,814.48		$ 808,814.48

No. 3 ASSETS AND LIABILITIES

Cash	$ 254,082.05	Open Accounts		$ 794,031.53
Book Debts, etc.	1,332,625.92	Reserve on Raw Cotton in Transit		87,655.00
Real Estate balances	4,229.25	Total Current Liabilities		$ 881,686.53
Cloth and Waste	118,826.15	Bond Issue	$1,000,000.00	
Cotton in Process	485,778.69	Bond Redeemed	386,800.00	
Raw Cotton	257,790.54			613,200.00
Supplies	464,481.85	Bond Issue Reserve		14,587.90
Unexpired Insurance	11,814.07	Capital Account		3,000,000.00
Bonds, Government	1,509,339.97	Reserve	$ 967,976.75	
		Profit and Loss Account	3,089,141.96	
Total Working Assets	$4,438,918.49	Net Profit as per Account No. 2	227,251.95	
Employees' Cottages	222,505.01			4,284,370.66
Mill, Land, Power, etc.	4,132,421.59			
	$8,793,845.09			$8,793,845.09

JOHN LOWE, Sec.-Treasurer.

S. H. EWING,
C. B. GORDON } Directors.

AUDITOR'S CERTIFICATE.

I have audited the books and accounts of the Montreal Cottons, Limited, for the year ending the 31st December, 1920, I have obtained all the information and explanations required, and now certify that in my opinion the foregoing statements and balance sheet are properly drawn up so as to exhibit a true and correct view of the year's operations and of the state of the Company's affairs at its close, according to the best of my information and the explanations given to me and as then shown by the books of the Company.

ARTHUR H. PLIMSOLL, C.A.

Montreal, February 10th, 1921.

Return of the Chartered Banks of the Dominion of Canada, January 31, 1920.

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 9, of the Statutes of 1913.

LIABILITIES

NAME OF BANK	Capital authorized	CAPITAL STOCK		Amount of Reserve Fund	Last Dividend declared	Notes in Circulation	Due to Dominion Government	Due to Provincial Govts	Demand Deposits In Canada	Notice Deposits in Canada	Deposits Elsewhere
		Capital Subscribed	Capital Paid up								
	$	$	$	$	%	$	$	$	$	$	$
Montreal	28,075,000	22,000,000	22,000,000	22,000,000	12	35,835,904	13,429,424	1,313,526	113,426,895	213,800,503	81,045,160
Nova Scotia	15,000,000	9,700,000	9,700,000	18,000,000	16	19,144,886	815,165	409,545	33,886,300	113,341,643	31,027,466
Toronto	10,000,000	5,000,000	5,000,000	6,000,000	12	6,967,968	158,147	103,881	25,589,863	48,421,601	....
Molsons	5,000,000	4,000,000	4,000,000	5,000,000	12	5,771,478	5,127,490	121,059	15,483,173	48,086,139	....
Nationale	5,000,000	2,000,000	2,000,000	2,300,000	12	5,424,480	7,930,626	305,276	7,244,042	39,152,327	6,905,885
Merchants	15,000,000	10,169,500	10,055,048	8,400,000	12	14,102,602	1,110,800	4,597,735	46,760,015	90,992,797	3,739,243
Provinciale du Canada	5,000,000	3,000,000	2,986,419	1,300,000	9	2,853,708	2,266,252	234,204	4,768,356	28,732,991	....
Union	15,000,000	8,000,000	8,000,000	6,000,000	10	10,182,934	229,776	4,273,980	32,927,094	70,645,772	8,519,221
Commerce	25,000,000	15,000,000	15,000,000	15,000,000	12	26,928,889	33,633,397	2,041,067	104,436,477	178,067,649	42,599,871
Royal	25,000,000	20,400,000	20,214,780	20,174,395	12	36,257,734	14,549,206	2,426,451	87,670,592	186,942,321	142,749,001
Dominion	10,000,000	6,000,000	6,000,000	7,000,000	12	8,425,839	267,837	1,049,968	26,009,910	68,947,877	2,037,100
Hamilton	5,000,000	4,998,800	4,988,390	4,694,195	12	5,581,126	5,118,963	795,331	17,380,429	43,561,320	....
Standard	5,000,000	3,854,700	3,802,001	4,800,000	14	6,134,000	4,829,502	328,387	18,460,826	48,264,993	....
d'Hochelaga	10,000,000	4,000,000	4,000,000	4,000,000	10	6,644,359	712,097	47,919	11,350,977	43,123,151	....
Imperial	10,000,000	7,000,000	7,000,000	7,500,000	12	12,353,749	466,081	1,602,259	28,375,161	65,186,494	....
Home	5,000,000	2,000,000	1,959,391	500,000	7	1,893,040	2,705,319	1,165,480	5,478,603	12,643,655	....
Sterling	3,000,000	2,166,600	1,229, 74	450,000	8	1,312,638	3,767,710	260,876	3,710,690	11,965,527	....
Weyburn Security	1,000 000	655,700	524,560	225,000	7	360,487	352,937	8,914	1,066,307	1,217,110	....
Total	197,075,000	129,045,300	128,460,163	133,343,590	......	206,175,821	97,470,729	21,085,858	584,025,710	1,313,093,870	318,022,947

NAME OF BANK	Loans from banks in Canada	Balances due to Banks in Canada	Due to Banks in the U. K.	Due to Banks Elsewhere	Bills Payable	Acceptance under letters of Credit	Other Liabilities.	Total Liabilities	Loans to Directors	Average Gold and Coin Held	Average Dominion Notes Held	Greatest Amount Notes in Circulation
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	....	2,336,585	124,910	1,799,631	2,088,566	6,285,827	1,433,714	472,920,650	865,106	26,023,187	40,415,992	39,839,768
Nova Scotia	....	962,619	50,304	1,826,512	665,921	350,049	16,302	202,496,719	1,074,286	12,090,743	19,731,719	20,985,810
Toronto	....	579,175	....	1,394,400	....	182,938	1,124	83,399,102	390,933	1,018,416	10,038,629	7,920,900
Molsons	....	300,502	90,013	313,529	....	320,173	567,557	76,181,117	279,822	576,596	3,098,722	6,103,768
Nationale	....	9,943	....	21,156	450,000	7,805	....	67,451,544	374,147	407,975	4,010,575	6,397,280
Merchants	....	4,496,067	32,871	481,820	104,840	1,090,926	302,711	167,812,431	691,076	4,041,271	9,368,624	15,877,777
Provinciale du Canada	....	5,655	....	48,863	....	....	139,249	39,049,280	....	139,879	225,436	3,203,018
Union	....	633,986	1,605,265	3,774,121	....	2,798,606	104,465	135,696,225	1,676,724	1,041,812	9,988,217	11,571,069
Commerce	....	263,451	1,053,674	6,233,080	1,609,385	9,806,412	7,096	406,680,453	1,121,838	20,946,000	26,692,000	29,837,120
Royal	....	2,604	110,195	11,743,985	4,667,629	17,454,357	37,062	504,611,144	700,606	15,728,529	23,266,653	40,596,168
Dominion	....	592,118	9,911	1,482,760	71,690	882,277	500,790	110,278,080	659,093	2,077,000	11,044,000	9,299,451
Hamilton	....	92,361	20,250	420,015	....	514,591	....	73,484,389	673,395	900,566	3,025,958	6,233,836
Standard	....	1,393,754	22,058	818,784	....	822,987	....	81,075,294	414,220	1,740,896	7,522,952	6,728,048
d'Hochelaga	....	2,927	4,112	626,212	....	245,723	....	62,757,479	349,000	492,174	2,749,903	7,578,704
Imperial	....	1,372,174	32,777	203,821	....	200,551	....	109,793,071	113,508	1,720,543	10,687,349	13,542,463
Home	....	14,559	321,988	145,254	....	....	1	24,367,904	491,786	187,020	1,697,676	2,131,375
Sterling	....	205,405	....	....	....	13,437	2,820	21,239,105	307,517	136,918	731,553	1,312,638
Weyburn Security	....	....	....	29,102	....	....	51,587	3,086,448	18,944	18,282	164,845	449,020
Total	....	13,263,885	3,478,328	31,363,045	9,658,031	40,976,659	3,165,477	2,642,380,435	10,229,001	89,287,807	184,660,803	229,608,213

ASSETS

NAME OF BANK	Gold and Subsidiary coin	Dominion Notes	Deposit for note circulation	In Central Gold Reserves	Notes of other banks	Cheques on other banks	Balance due from banks in Canada	Due from banks in United Kingdom	Due from Banks elsewhere	Government securities	Canadian municipal, British and foreign securities	Railway and other bonds and stocks
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	25,997,408	46,329,900	1,038,166	15,200,000	3,030,174	19,952,047	....	3,143,710	7,068,256	14,782,565	34,303,263	4,677,907
Nova Scotia	12,175,453	16,644,344	492,822	11,500,000	4,063,386	8,223,631	....	1,462,609	3,397,118	13,781,034	21,678,078	3,498,563
Toronto	1,016,561	8,881,977	254,834	4,000,000	815,580	4,146,871	....	203,696	646,976	6,155,624	7,142,783	655,574
Molsons	603,997	2,797,517	235,000	1,500,000	746,387	3,946,947	23,517	387,384	1,709,862	5,229,161	6,419,032	699,715
Nationale	438,355	4,649,471	100,000	4,500,000	629,090	2,204,268	988	8,974	825,992	5,236,047	7,933,137	899,118
Merchants	4,200,347	9,443,755	450,000	5,000,000	1,166,811	7,404,495	11,258	489,932	2,324,099	8,536,677	13,732,013	3,765,479
Provinciale	161,805	221,531	114,315	....	374,928	1,817,118	4,812,748	189,119	187,516	2,688,605	6,871,473	2,445,579
Union	1,596,179	12,626,088	365,000	3,500,000	883,623	6,013,052	66,340	3,906,386	5,120,812	7,823,136	12,468,097	3,581,988
Commerce	14 545 576	21,334,863	908,245	11,500,000	3,011,322	14,421,548	3,454	804,789	10,254,557	13,260,405	19,763,806	5,991,173
Royal	16 960 670	24,093,850	860,000	17,000,000	35,738,510	22,805,447	9,779	3,443,695	27,760,655	12,922,214	20,493,331	14,599,699
Dominion	2 125,678	9,272,043	305,000	3,500,000	1,174,274	5,804,142	687	1,429,496	1,488,450	5,486,329	9,600,516	1,781,847
Hamilton	928,883	3,462,941	225,000	500,000	711,780	3,329,371	997,458	172,430	863,765	2,428,089	6,089,516	415,800
Standard	1 770 638	10,982,189	175,000	2,400,000	406,445	4,230,348	....	482,742	1,497,311	4,469,234	6,816,973	853,307
d'Hochelaga	506,770	2,724,007	200,000	2,600,000	1,160,363	3,158,265	286,559	202,596	668,985	2,218,867	5,579,937	124,914
Imperial	1,738,978	10,532,227	381,665	7,002,533	1,193,844	5,614,782	705,713	385,622	2,309,892	6,028,815	9,949,494	413,047
Home	193,298	1,374,802	108,000	....	324,660	931,370	118,467	51,424	815,287	1,696,929	1,392,849	1,610,472
Sterling	138,549	1,053,973	65,000	....	171,759	648,207	5,000	27,646	124,640	9,236,569	2,934,838	384,114
Weyburn Security	18,964	164,049	22,196	....	25,644	14,496	548,215	....	68,302	277,905	235,964	....
Total	85,118,010	186,589,527	6,300,243	89,702,533	55,628,580	114,666,405	7,590,183	16,792,250	67,132,475	122,258,205	193,405,100	46,398,296

NAME OF BANK	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current Loans elsewhere	Loans to Provinces	Loans to municipalities	Overdue debts	Real Estate other than premises	Mortgages on real estate sold	Bank premises Less written off	Letters of credit	Other Assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	1,707,001	99,259,021	203,404,098	16,889,107	2,066,980	12,244,377	548,025	41,400	29,621	5,500,000	6,285,827	73,051	523,571,914
Nova Scotia	6,252,694	16,111,481	86,029,605	15,534,611	....	3,622,030	490,169	122,962	178,933	6,069,513	350,049	220,665	231,899,757
Toronto	5,075,951	1,000,000	50,382,620	....	....	1,577,963	450,129	....	....	3,566,371	182,938	....	96,156,455
Molsons	7,746,237	....	47,652,845	....	....	2,273,781	427,713	96,988	31,987	2,996,411	320,173	332,097	86,176,759
Nationale	4,474,236	....	37,092,544	....	....	1,027,980	28,600	358,337	384,520	1,741,246	7,805	71,540	72,612,255
Merchants	8,268,254	5,126,457	105,469,460	1,414,858	....	1,842,054	1,360,806	615,644	683,957	3,869,409	1,090,926	261,556	186,528,254
Provinciale	8,874,973	....	12,501,376	....	....	1,449,441	230,012	7,500	14,345	388,478	....	291,802	43,642,670
Union	5,119,754	2,615,490	67,497,995	5,605,181	1,732,665	4,443,239	215,316	122,041	166,632	1,461,890	2,798,606	44,433	149,773,952
Commerce	25,582,382	24,370,846	206,859,364	30,833,940	6,501,439	11,484,438	622,641	518,549	182,945	7,209,543	9,806,412	60,953	439,833,201
Royal	13,401,798	38,497,198	161,177,436	102,028,591	458,525	5,400,576	447,111	932,654	42,290	9,680,358	17,454,357	167,307	546,376,061
Dominion	7,056,458	3,568,710	63,059,584	1,048,653	....	658,996	123,581	5,393	18,725	5,668,453	882,277	365,251	124,424,552
Hamilton	6,643,145	300,000	49,542,757	....	1,135,540	2,317,417	203,638	514,557	190,219	2,808,432	514,591	337,047	84,632,379
Standard	2,528,164	....	49,594,285	....	....	1,302,599	105,768	....	59,750	1,593,502	822,987	92,733	90,283,979
d'Hochelaga	4,424,391	....	30,315,004	....	....	2,794,552	633,282	211,349	262,432	2,851,037	245,723	88,588	71,257,628
Imperial	3,725,142	1,004,800	59,697,515	....	762,000	6,802,216	662,114	513,313	436,227	5,212,755	200,551	657,535	125,930,689
Home	1,472,549	....	14,953,531	24,788	....	253,124	221,913	63,444	99,047	1,013,811	....	204,443	26,924,218
Sterling	121,189	....	7,359,716	....	....	59,855	6,837	....	2,750	506,072	13,437	281,085	23,141,241
Weyburn Security	....	....	1,900,728	....	....	83,044	130,750	26,371	18,279	203,515	....	62,819	3,801,246
Total	112,474,318	191,854,003	1,264,490,463	173,379,729	12,657,149	59,637,682	6,908,400	4,150,502	2,802,659	62,340,796	40,976,659	3,612,905	2,926,867,210

Column No. 4. Of this deposit 11,502,533 is in gold coin; the balance is in Dominion notes

FINANCE DEPARTMENT, OTTAWA, FEBRUARY 22nd, 1921.

ASBESTOS CORP. MAKES NEW HIGH EARNINGS' RECORD

Profits of $1,661,672, Or Nearly $200,000 Ahead Of 1919

WORKING CAPITAL

Unusual Improvement of Liquid Position—Orders as Large as One Year Ago

By Resident Representative.

MONTREAL.—There would appear to have been nothing of the ordinary readjustment downwards in the case of the Asbestos Corporation of Canada, Ltd., as is the case with the majority of industries at the present time. The annual report covering the year 1920, as made public this week, shows nearly every department and adjustment upwards. While in certain directions the demand for the company's products is not as strong for the time being as it was a few months ago, prices have kept up well and the company has not been force to take heavy losses through depreciation of its product, as have most industrials. The result has been that the production has held up and even increased beyond the highest points in the period of the war and prices have also kept pace, so that the total of profits for the year 1920 of $1,661,672 shows an actual increase of nearly $200,000 over the total of 1919 of $1,473,752, and an increase of nearly $500,000 over that of the last war year of $1,177,179. Even after allowing for $50,000 extra for renewals and $125,000 more for depreciation, there remains a larger amount available for dividends on the preferred and common stock, which represents about 15 per cent., as compared with 14.4 per cent. in 1919, 11.4 per cent. in 1918 and 3.6 per cent. in 1917. Allowing for the regular preferred dividend of 6 per cent. on $4,000,000 there would remain available for the common dividend about 27 per cent. However, as the preferred participates with the common the combined dividend must be taken into account. The profit and loss figures for the past three years are as follows:

	1920	1919	1918
Profits	$1,661,672	$1,473,752	$1,177,179
From invest.	125,266	99,565	76,634
Net income	$1,786,938	$1,573,317	$1,253,813
Bond int.	150,000	150,000	150,000
Depreciation	315,659	190,554	104,496
Renewals, etc.	272,338	224,691	197,490
Balance	$1,048,940	$1,008,071	$ 801,827
Divs. & bonus	582,500	530,000	190,000
Surplus	$ 466,440	$ 478,071	$ 611,927
Prev. surp.	1,586,390	1,108,319	593,892
Total surp.	$2,052,831	$1,586,390	$1,205,819

The balance sheet shows a stronger working capital position, which in itself marks this company out with few others at the end of the year 1920. The working capital shows an increase from $2,991,729 one year ago to $3,398,494. This is represented chiefly in the increase in investments of some $400,000, most of which, it is understood, is in the form of Victory bonds and so "liquid." It is satisfactory to know that the inventory shows a slight decline, also an unusual condition. Moreover, accounts payable are also slightly lower. The relation of current assets to current liabilities is almost 8 to 1. The various items in the working capital accounts compare as follows:

Working Capital

	1920	1919
Cur. Assets—		
Investments	$2,038,746	$1,613,923
Inventories	347,672	394,840
Acc. rec.	895,177	697,970
Cash	614,808	774,098
Total	$3,896,403	$3,479,831
Current Liabilities—		
Acc. pay.	$ 240,476	$ 247,728
Acc. liab.	2,433	3,874
Div. & bonus pay.	255,000	237,500
	$ 497,909	$ 489,102
Bal. work. cap.	$3,398,494	$2,991,729

Dealing with the position of the company so far as market is concerned the president, W. G. Ross, reports as follows:

The Market Outlook

The orders on the company's books are as great as the orders on hand a year ago. European demand has improved. In the United States, while requests of a temporary nature for suspension of shipments have been made, indications are that industries in which we are principally interested, such as the building and automobile industries, will improve. With regard to the latter, our special products are required for renewals, especially brake band linings. The commercial vehicle is becoming a greater factor in the transportation of commodities, and the use of motors of all kinds is increasing steadily, each succeeding year bringing greater needs for and uses of cars, both passenger and goods.

The General Electric Co. pays $1,153,046, divided $585,346 in cash and $567,700 in employees' 7% investment bonds, as supplementary compensation to 22,964 workers, representing 5% of earnings for six months ended December 31, 1920.

BURGLARS CHECKED LOOT

According to the Reading police, $180,000 in cash and bonds stolen from the People's Trust Co., Wyomissing, last Friday, rested for five or six hours in the Broad street station, Philadelphia, on Saturday. It was on a shelf in the checking-room, while two of the bandits were watching "Hitchy Koo" in the Forrest Theatre. The amount of the loot was not disclosed until Tuesday. It was at first given as $40,000, then later as nearly $100,000. The institution remains on a solid footing, however, the directors underwriting and making good all loss not covered by the insurance.

OTTAWA POWER FACED TROUBLES IN OPERATING

Increased Revenue Absorbed by Further Growth in Expenses

With a substantial increase in the volume of business of both the Ottawa Electric Company and the Ottawa Gas Company the gross revenue of the Ottawa Light, Heat and Power Company for 1920 at $1,459,308 compared with $1,237,129 in 1919 and $1,114,915 for 1918. As during the previous year, however, there was a continued expansion of operating costs and charges, with the result that the net revenue at $228,699 showed little change as compared with $230,971 for the previous year, but fortunately did not shrink appreciably further as compared with $310,150 in 1918. Following are comparative figures showing particulars of the profit and loss account for the past three years:

	1920	1919	1918
Total rev.	$1,459,308	$1,237,128	$1,113,915
Expend.	1,230,609	1,006,158	804,150
Surplus	$ 228,699	$ 230,971	$ 310,150
Prev. bal.	123,983	114,525	85,499
	$ 352,682	$ 345,496	$ 395,649
Less—			
Dividends	$ 210,000	$ 209,983	$ 209,934
Reserve	......	......	50,000
Bad debts	14,593	11,529	21,190
Balance	128,090	123,984	114,525
	$ 352.682	$ 345,496	$ 395,649

President T. Ahearn, in reference to the increased costs, speaks of adverse causes which brought about unsatisfactory operating conditions, including high cost and scarcity of coal and almost unprecedented shortage of water power, thus necessitating increased generation of steam power under very unsatisfactory conditions. The coal situation also worked against the gas plant, and the installation of the oil auxiliary plant was fully justified, although expensive in view of the high cost of oil; this situation, together with the high cost of labor and other materials, forced an advance in rates, which went into effect the first of the present year.

Consolidation Effected

The report as presented is in such form as to show in combination the affairs of the Ottawa Electric Light Company, the Ottawa Gas Company and the Ottawa Light, Heat and Power Company. Thus there is an increase from $6,813,583 to $9,092,877 in assets, which is largely accounted for in property, plant and equipment. On the other hand, stock of the Ottawa Electric Company held by the Ottawa Light, Heat and Power Company is included in the liabilities at $1,500,000 and bond liability is increased by $700,000. In connection with this consolidation new financing was effected, to which reference is made as follows by the president:

Your directors, having in view the advancement and future requirements of the companies, entered into negotiations, early in the year, with the Royal Securities Corporation Limited of Montreal for the further financing of the companies, resulting in a special meeting of the shareholders being called on the 13th of October last, and in accordance with the authority granted by the shareholders at that meeting, the Ottawa Light, Heat and Power Company, Limited, gave a trust deed of mortgage and pledge to the Montreal Trust Company, securing the issue of six million ($6,000,000) first mortgage and collateral trust sinking fund gold bonds, of which bonds $1,000,000, to cover immediate requirements, were sold to the Royal Securities Corporation of Montreal and Messrs. Harris, Forbes & Company, Inc., of Boston, Mass. The sale of these bonds in the United States netted a little above par, and out of the proceeds an amount of $500.000 was paid into the Canadian Bank of Commerce at Ottawa for the retirement of a similar amount of bonds which matured December 31, 1920. During the year the company acquired, and paid for in full, the hydraulic lots, property, plant and equipment of the Ottawa Power Company adjoining the other hydraulic properties of this company. The purchase was desirable and advantageous. The company has continued the policy followed last year in making only such extensions as are absolutely required.

BALFOUR, WHITE & CO.

Investment House of Montreal Opens in Toronto.

By Resident Representative.

MONTREAL. — Balfour, White & Co., of this city, have opened up an office in Toronto at 6 Jordan Street, under the management of S. F. Hayes. This house has specialized in unlisted securities and have felt the need of a direct Toronto connection. A department is also being organized to take care of the selling of bonds.

John D. Rockelle, Jr., in letter to New York American, says: "My father's estate has never reached $1,000,000,000, and has been materially reduced by large gifts from principal which he has made during recent years." This was in answer to statement that John D. Rockefeller's estate amounted to $3,000,000,000.

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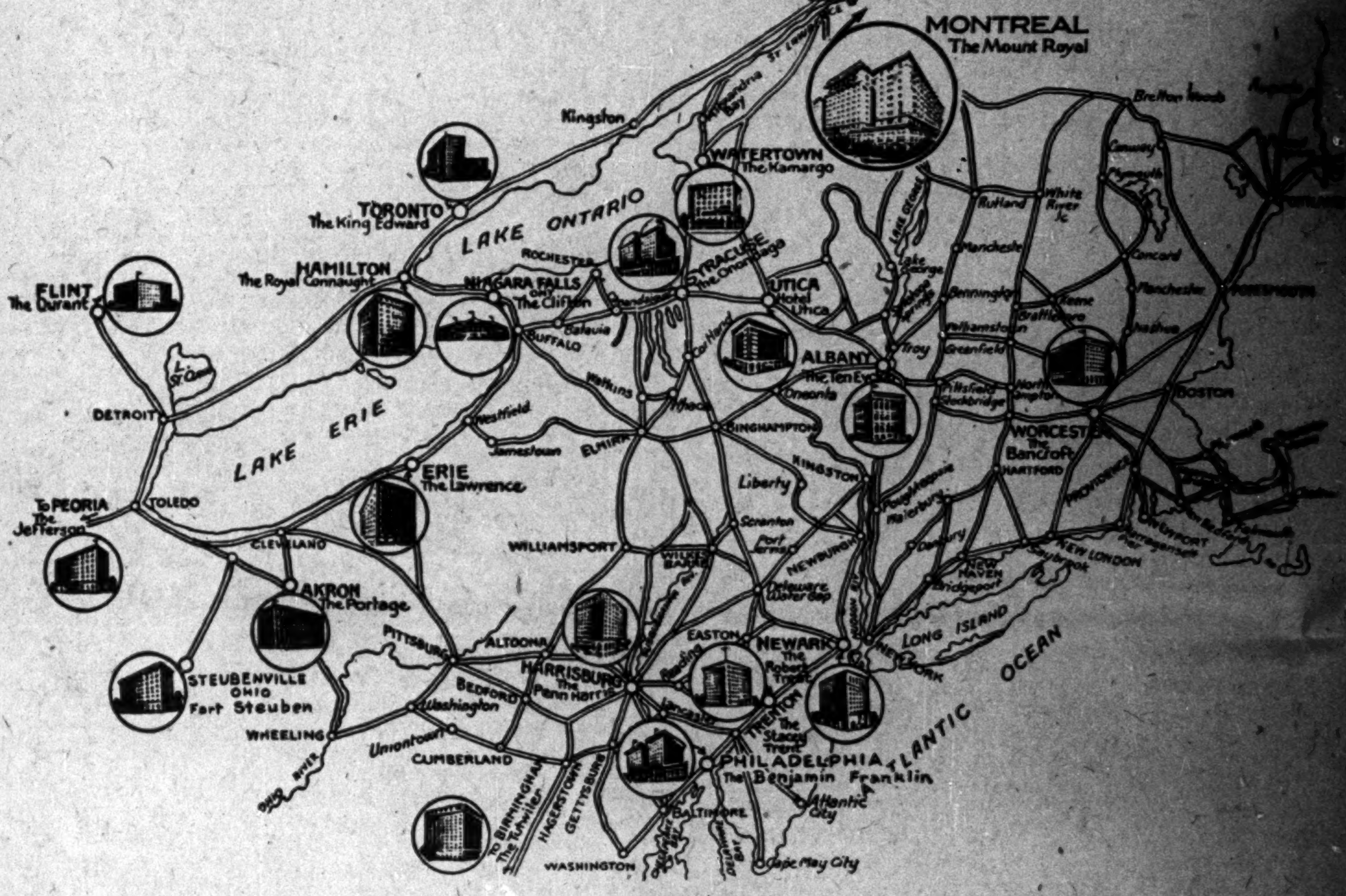

The Chain

THE BANCROFT	WORCESTER, MASS.
THE TEN EYCK	ALBANY, N.Y.
THE ONONDAGA	SYRACUSE, N.Y.
THE LAWRENCE	ERIE, PA.
THE JEFFERSON	PEORIA, ILL.
ROBERT TREAT	NEWARK, N.J.
THE PENN-HARRIS	HARRISBURG, PA.
HOTEL UTICA	UTICA, N.Y.
THE TUTWILER	BIRMINGHAM, ALA.
THE PORTAGE	AKRON, OHIO
ROYAL CONNAUGHT	HAMILTON, ONT
THE KING EDWARD	TORONTO, ONT.
THE CLIFTON	NIAGARA FALLS, ONT.
THE SENECA	ROCHESTER, N.Y
THE FORT STEUBEN	STEUBENVILLE, OHIO
THE DURANTE	FLINT, MICH.

In Course of Construction

THE MOUNT ROYAL	MONTREAL, QUE
THE STACEY-TRENT	TRENTON, N.J.
PRINCE EDWARD	WINDSOR, ONT
BENJAMIN FRANKLIN	PHILADELPHIA, PA.

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